SMARTLINK HOLDINGS LIMITED

smartlink HOLDINGS

ANNUAL REPORT 2024-25

Group Vision

To be a leading player in the Digitally Connected World, by offering a complete value proposition from product design to customer delight.

CONTENTS

K. R. Naik
Executive Chairman

> "The past year continued to present a dynamic global landscape. While geopolitical tensions persisted in certain regions, we've seen a gradual stabilization, allowing for renewed focus on economic recovery and growth initiatives worldwide."

Chairman's Message

Dear Shareholders,

It's with immense pride and great pleasure that I present to you the Annual Report of your company for the year ended March 31, 2025.

The past year continued to present a dynamic global landscape. While geopolitical tensions persisted in certain regions, we've seen a gradual stabilization, allowing for renewed focus on economic recovery and growth initiatives worldwide.

Indian Networking Industry: On a growth path

The networking industry remains exceptionally well-positioned to capitalize on this ongoing upcycle, fuelled by significant investments in cloud infrastructure, advanced cybersecurity solutions, and transformative emerging technologies like generative AI and the continued rollout of 5G.

Largely due to the new Government policy on local manufacturing, India's electronic industry is on a growth path, while in China this began four decades ago. Although the country faced economic challenges at that time, strong government support played a crucial role in transforming it into the world's leading supplier. Today, the Indian Government is actively encouraging local manufacturing, and we have strengthened our commitment by putting more effort into local manufacturing. We have also resumed our software and hardware R&D operations in Bengaluru after a gap of 15 years.

Smartlink Holdings Ltd.: Performance

Smartlink Holdings Ltd. achieved another steady year. Our Standalone Revenue from Operations for the year ended 31st March 2025 stood at INR 9,696.51 lakhs, a commendable increase of 9.62% from INR 8,845.45 lakhs in the previous financial year. The Standalone Profit After Tax for the year was INR 253.68 lakhs as against INR 730.51 lakhs in the previous year.

On a Consolidated basis, our Revenue from Operations increased by 8.25% to INR 21,452.63 lakhs from INR 19,817.24 lakhs in the previous year. On a Consolidated basis, Profit After Tax for the year was INR 660.51 lakhs as against INR 705.95 lakhs in the previous year.

Our Strategic Evolution: From Holdings to full-fledged ODM

SMARTLINK, in collaboration with an international brand in networking products, established a manufacturing Company in Goa in 1993, at a time when the Government of Goa was actively promoting the electronics industry.

Over the past 30+ years, we had formed joint ventures with international brands for the manufacturing of networking products and motherboards. In addition, we had engaged in collaboration ventures for ODM products, namely ATM machines, industrial engineering products, and structured cabling systems.

However, due to evolving government policies, many companies began relying heavily on duty-free imports of finished products. We too have adapted to these changes over time. Today, with extensive experience, a high-capacity manufacturing base and a software R&D centre in Electronic City, Bengaluru, SMARTLINK HOLDINGS Ltd has emerged as a prominent ODM/EMS provider for a wide range of products.

Smartlink Holdings Ltd. which previously operated as an NBFC with strategic investments is now a full-fledged ODM (Original Design Manufacturer) having its own R&D operations in Bengaluru.

DIGISOL is an independent sales, marketing, and support company with a strong nationwide presence. It sources products directly from other vendors or through Smartlink, which manufactures as per specifications.

DIGISOL continues to invest in brand-building through focused marketing, loyalty programs and market-aligned training. We are confident in its ongoing growth as a leading brand in the Indian networking industry.

'Viksit Bharat' and the Thriving IT Networking Landscape

I wish to once again place on record my sincere appreciation for the Government's proactive initiatives in promoting local manufacturing through Production Linked Incentive (PLI) scheme and by mandating public sector companies to prioritize 'Made in India' products. These policies are instrumental in fostering a self-reliant and competitive domestic industry.

Gratitude and Commitment

In conclusion, I express my sincere gratitude to the members of the board, government officials, partners, associates, customers, employees, and shareholders for their continued support in building a thriving future. We remain steadfast in our commitment to building a brighter and more prosperous tomorrow for all our stakeholders.

Thanking you,

Yours sincerely,

K. R. Naik
Executive Chairman

Business Overview

SMARTLINK HOLDINGS LIMITED

Smartlink Holdings Ltd. has been a prominent player in the IT networking products industry for over three decades, with deep expertise in sourcing, manufacturing, sales, marketing, and customer support. Smartlink is a trusted ODM (Original Design Manufacturer) and EMS (Electronics Manufacturing Services) provider.

The company had two independent subsidiaries: SYNEGRA EMS LIMITED (EMS ODM product manufacturing company) & DIGISOL SYSTEMS LIMITED (Brand company).

SYNEGRA has now been amalgamated with Smartlink Holdings Limited, which operates a large, certified manufacturing facility in Goa. In alignment with the 'Make in India' initiative, Smartlink has its R&D operations in Bengaluru, focused on developing software for network switches and FTTH products.

Smartlink manufactures a wide range of products, including advanced FTTH and Wi-Fi solutions,

structured cabling (such as Copper/Fiber Patch Cords, LIUs, Patch Panels), telecom equipment, electric vehicle (EV) chargers, and defence electronics. Components are sourced from both trusted local vendors and renowned global suppliers to ensure superior quality and reliability. With over three decades of expertise, Smartlink brings a highly skilled team and robust capabilities in electronics manufacturing and component sourcing.

Smartlink continues to serve as a contract manufacturing partner to DIGISOL SYSTEMS LTD. and other electronic brands. Strongly positioned under the 'Make in India' initiative, Smartlink is poised for steady growth in both domestic and export markets, offering world-class manufacturing solutions backed by innovation and quality.

DIGISOL SYSTEMS LTD.

DIGISOL is the first Indian IT networking brand whose 'Made in India' product portfolio has significantly contributed to the growth of Smart Cities, Education, Hospitality, Healthcare, Real Estate, Infrastructure, Banking, and Data Centres.

DIGISOL OFFERINGS:

DIGISOL SYSTEMS LTD is a branded products company with national Sales, Marketing, and Service Support. It offers a comprehensive range of IT networking products, including FTTH, Wireless (Wi-Fi), Switching, and Structured Cabling systems (copper and fiber).

The FTTH range includes XPON ONUs, GPON OLTs, GEPON OLTs, and PON Transceivers. The Wireless range features Wi-Fi 6 Indoor/Outdoor/Enterprise Access Points, Controllers, USB Adapters, and Range Extenders. Switching solutions include Managed, Unmanaged, Fully Managed, Lite/Smart Managed Switches, Chassis Switches, Industrial Switches, Transceivers, Media Converters, and Multigig Switches.

The Structured Cabling product line includes Solid Cable, Keystones, Patch Panels, Copper Patch Cords, Faceplates, RJ45 Connectors, Fiber Patch Cords, Pigtails, Fiber LIUs, Fiber Cables, Distribution Boxes, and Splitters.

The IT networking industry is undergoing rapid transformation, driven by emerging technologies and evolving customer demands. Amidst this dynamic landscape, a trusted brand like DIGISOL offers confidence and clarity.

DIGISOL views brand building as a long-term strategic investment. The company executes bold and differentiated marketing initiatives to establish its position as a future-ready networking brand. From product excellence to impactful outreach, the focus remains on creating lasting brand value for sustainable growth.

DIGISOL strengthens its ecosystem through initiatives such as the DIGISOL Cash Karo loyalty program, which rewards electricians, technicians, and partners. The DIGISOL Institute of Technical Training (DITT) offers industry-relevant training to network engineers, ISPs, and channel partners. The DIGISOL Alliance Partner Program further builds strong partner relations through strategic sales schemes across active and passive product categories.

DIGISOL is committed to building not just products, but platforms for success, nurturing innovation, trust, and a customer-first approach at every step.

Active Networking Products:

DIGISOL SYSTEMS LTD. offers a broad portfolio of over 200 active networking products under the DIGISOL brand, addressing a wide spectrum of IT networking needs. These high-quality solutions are backed by Smartlink's advanced manufacturing facility and DIGISOL's strong nationwide distribution network. DIGISOL ensures a seamless customer experience through expert call-based technical support.

DIGISOL continues to innovate with cutting-edge products such as Next-Gen Wi-Fi 6 wireless solutions, up to 100G fiber systems, commercial and industrial-grade switches for SMBs and SMEs, PoE-based media converters, and a complete FTTH product line. In alignment with the "Make in India" vision, DIGISOL has introduced a new generation of indigenously manufactured XPON ONUs, EPON/GPON OLTs, and networking switches produced at Smartlink's Goa manufacturing facility.

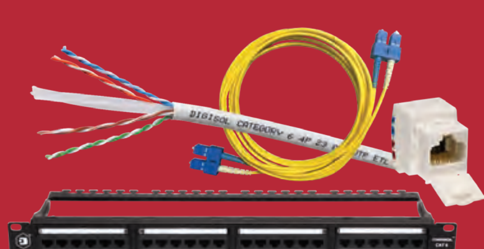
The recent launch of Multigig L3 PoE and Non-PoE Switches adds flexibility and cost-efficiency to DIGISOL's offerings. With TEC-certified FTTH and switching solutions trusted by major telecom service providers, DIGISOL reinforces its reputation for quality, reliability, and performance.

Structured Cabling System (SCS):

With the rapid evolution of technologies like 5G, IoT, Wi-Fi 6, SDN, and Cloud Computing, alongside large-scale initiatives like Smart Cities, the demand for high-speed, reliable networking solutions has surged. DIGISOL's SCS is designed to meet these needs, enhancing enterprise performance today and enabling future opportunities.

DIGISOL's Channel SCS Range provides a complete suite of Copper, Fiber, and FTTH solutions within its passive networking portfolio. These products are compliant with EIA/TIA, ISO/IEC, and UL international standards, RoHS-certified, and backed by a 25-year international performance warranty.

With a solid presence in the SMB and enterprise segments, DIGISOL SCS collaborates with regional and national system integrators to support major projects across India. Its solutions are also tailored to meet the connectivity needs of small and medium businesses and home networks, offering reliable, future-ready infrastructure.



Brand Building:

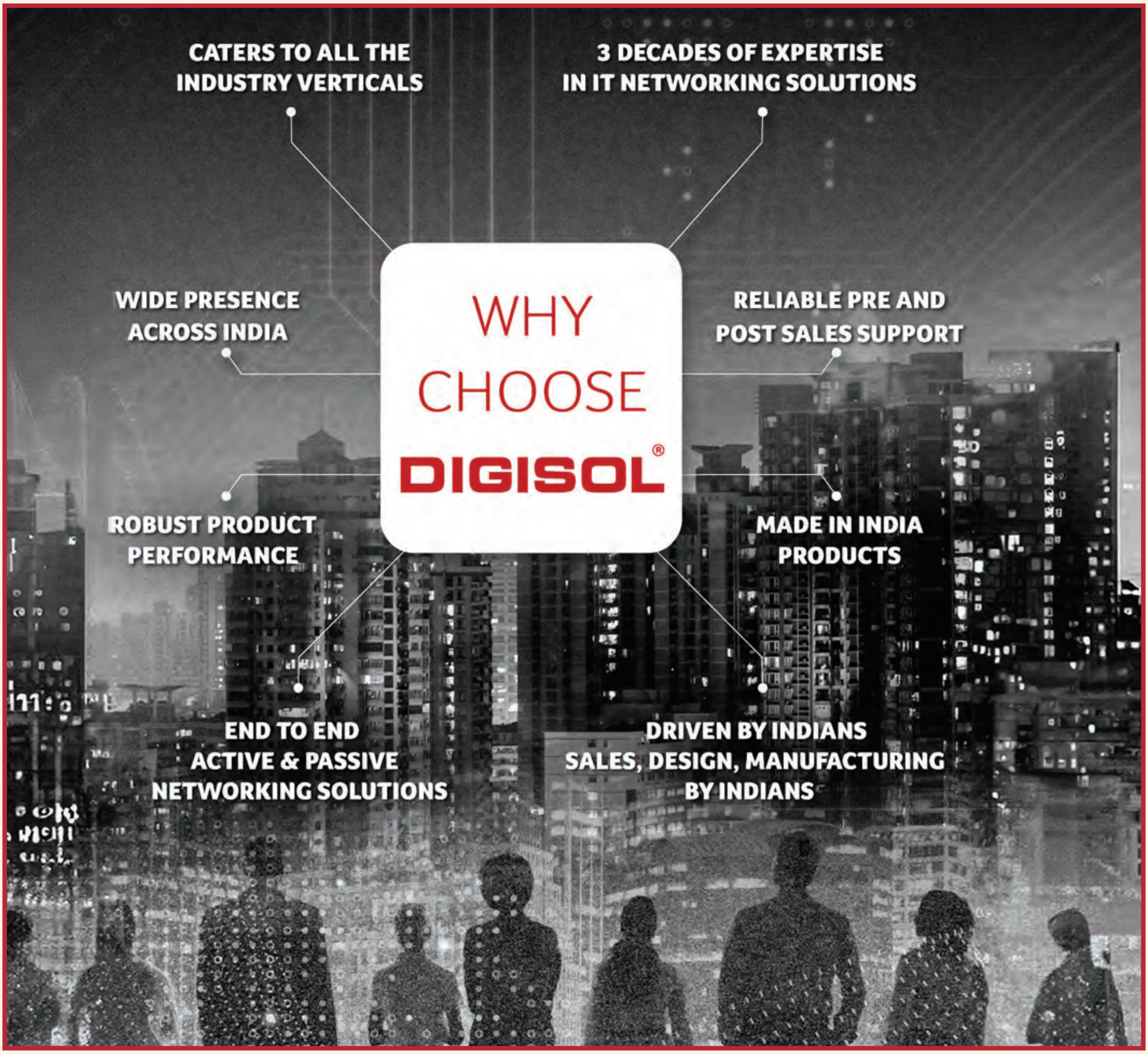
The key to DIGISOL's success

At DIGISOL, brand building is more than just a marketing function. It is a strategic imperative. While product quality and innovation are crucial, shaping customer perception and loyalty is equally important for long-term success.

DIGISOL actively engages with a broad network of channel partners, system integrators, electricians, and installers, key stakeholders who enhance grassroots brand visibility and trust.

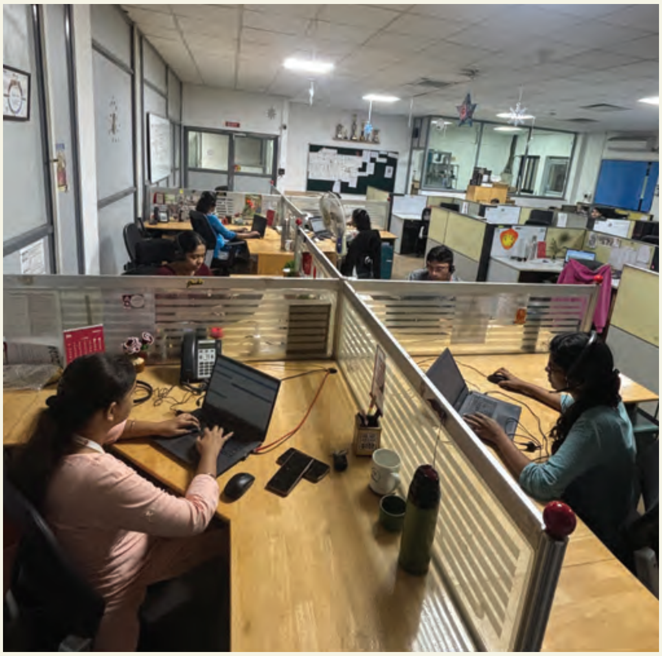
Brand initiatives span industry exhibitions, trade shows, expos, in-store branding, and traditional advertising. In the digital space, DIGISOL maintains a vibrant online presence through its website (www.digisol.com) and social media platforms, driven by strong content strategies.

To ensure market reach, DIGISOL has built a unique distribution model with regional distributors for both Channel and Enterprise segments, ensuring nationwide product availability and a consistent brand experience across India.



DIGICARE:

DIGICARE, the dedicated service arm of DIGISOL SYSTEMS LTD, sets a benchmark in integrated after-sales service and customer support, with a focus on complete satisfaction.



DIGICARE provides a comprehensive range of services, including call centre operations, Return Material Authorization (RMA), backend repair and refurbishing, supply chain and warehousing support, and extensive field service coverage. With 63+ service centres and coverage across 27,000+ pin codes in India, DIGICARE ensures prompt and dependable service.

A trusted partner for global brands in semiconductors, robotics, and consumer electronics, DIGICARE has delivered excellence in customer support for over 25 years. With its broad experience across Telecom, Consumer Electronics, and Consumer Durables, including voice and non-voice technical support, DIGICARE continues to be a leader in end-to-end service solutions.

Board of Directors

K. R. Naik, Executive Chairman

Mr. K. R. Naik is the founder of Smartlink Holdings Ltd. He joined the Company as the Director on 31st March 1993. His vision is to make the group companies the premier technology Companies with a strong base of Manufacturing in the Networking/ Communication field.

Mr. Naik has over four decades of experience in the networking industry. He holds Post Graduate Diploma in Industrial Engineering from Jhunjhunwala College & Diploma in Business Management from Jamnalal Bajaj Institute of Management, Mumbai. He started his career with IBM India in development & sourcing of parts of Data Processing Machines in IBM Mumbai Plant. He is also a former President of MAIT.

Arati Naik

Ms. Arati Naik is an Executive Director of Smartlink. She was Chief Operating Officer of the Subsidiary Company, Digisol Systems Limited and was involved in managing DIGISOL business and defining strategies for the products business. She is Graduate in Computer Science and Post-Graduate in Business & Information Systems from The University of Bolton, UK and alumni of IIM Bangalore, having done an executive general management program.

Pradeep Rane

Mr. Pradeep Rane is a science graduate and has over 38 years of experience in Sales, Marketing, Strategic Planning and overall Business Management with the Pharmaceutical industry.

Satish Godbole

Mr. Satish Godbole is a Chartered Accountant in practice with 39 years of experience. He is specialized in Company Law, Mergers & Amalgamation and FEMA.

Chandrashekhar Gaonkar

Mr. Chandrashekhar Gaonkar is a Chartered Accountant with 32 years of Industry experience. He has been instrumental in the successful launch of IPO for erstwhile D-Link (India) Limited in 2001. He has served as a Chief Financial officer and Executive Director in D-Link India Limited. He is presently working as a consultant.

Dr. Lakshana Sharma

Dr. Lakshana Sharma holds a degree in MBBS from Bharati Vidyapith, Pune University, MD from Jawaharlal Nehru Medical College, Belgaum under Rajiv Gandhi University of Health Sciences, Bangalore. She has studied Medicine and completed her post-graduation in Pediatrics in the year 2003. She is practicing pediatric since last 21 years. She is also a member of the Indian Academy of Pediatrics.

Nitin Kunkolienker

Mr. Nitin Kunkolienker completed his graduation from Mumbai University and also holds Diploma in Foreign trade. While currently he is the Chairman- Advisory Council, he also held the position of President from 2017 – 2022 of Manufacturers Association for Information Technology (MAIT), Delhi. He was also on the National executive Council of the Confederation of Indian Industry (CII) and ASSOCHAM, Delhi till 2022/ 2024 respectively. Currently he is on the Board of Governance (BOG) of Indian Institutes of Technology (IIT), Goa and President of Vidya Vikas Mandal, one of the Top Educational Institute of Goa.

Directors' Report

TO THE MEMBERS,

The Directors of your Company ("the Company" or "Smartlink") are delighted to present the 32nd Annual Report along with the audited financial statements for the financial year ("FY") ended March 31, 2025.

1. FINANCIAL PERFORMANCE

Key highlights of standalone and consolidated financial performance for the year ended March 31, 2025, are summarized as under:

(Amount in INR lakhs)

Particulars	Standalone		Consolidated	
	2024-25	2023-24	2024-25	2023-24
Revenue from operations	9,696.51	8,845.45	21,452.63	19,817.24
Other Income	1,312.30	1,285.87	1,191.01	1,177.17
Total Income	**11,008.81**	**10,131.32**	**22,643.64**	**20,994.41**
Profit before depreciation, finance cost, tax expenses and exceptional items	**325.20**	**1,106.84**	**1,060.43**	**1,439.98**
Less: Depreciation and Amortization expenses	292.34	261.04	373.13	346.46
Less: Finance cost	68.32	115.29	154.13	223.67
Profit / (Loss) before exceptional items and tax	**(35.46)**	**730.51**	**533.17**	**869.85**
Exceptional income/ (expense)	-	-	-	-
Profit/(Loss) before tax	**(35.46)**	**730.51**	**533.17**	**869.85**
Less: Tax expenses				
a) Current tax	-	51.67	-	51.67
b) Deferred tax	(287.76)	64.37	(125.96)	113.63
c) Adjustment of tax of earlier years	(1.38)	(1.40)	(1.38)	(1.40)
Profit/(Loss) after Tax	**253.68**	**615.87**	**660.51**	**705.95**
Other Comprehensive Income (Net of tax)	(35.88)	(16.88)	(56.62)	(28.64)
Total Comprehensive Income	**217.80**	**598.99**	**603.89**	**677.31**
Earnings Per Share (INR)	2.54	6.17	6.62	7.08

Notes:

1. The standalone and consolidated financial statements of the Company for the financial year ended March 31, 2025, have been prepared in accordance with the Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs and as amended from time to time.

2. Figures for the year ended March 31, 2024 have been restated on account of Scheme of Amalgamation ("Scheme") between erstwhile wholly owned subsidiary Synegra EMS Limited and the Company. The scheme was approved by the Hon'ble NCLT, Mumbai bench on January 09, 2025. The appointed date of the Scheme was April, 01, 2024.

2. STATE OF COMPANY'S AFFAIRS

2.1 Review of Standalone Financial Results

The revenue from operations of the Company for the year ended March 31, 2025 stood at INR 9,696.51 lakhs as against INR 8,845.45 lakhs in the previous financial year. The total Income stood at INR 11,008.81 lakhs for the year ended March 31, 2025 as compared to INR 10,131.32 lakhs in the previous financial year.

The standalone Loss before tax was INR 35.46 lakhs as compared to profit of INR 730.51 lakhs in the previous financial year. The profit after tax stood at INR 253.68 lakhs as compared to INR 615.87 lakhs in the previous financial year. The loss for the current financial year was due to higher product development expenses and higher professional and Legal fees as compared to previous year.

2.2 Review of Consolidated Financial Results

The consolidated revenue from operations of the Company for the year ended March 31, 2025 stood at INR 21,452.63 lakhs as against INR 19,817.24 lakhs in the previous financial year. The Total Income stood at INR 22,643.64 lakhs for the year ended March 31, 2025 as compared to INR 20,994.41 lakhs in the previous financial year.

The consolidated profit before tax was INR 533.17 lakhs as compared to INR 869.85 lakhs in the previous financial year. The profit after tax stood at INR 660.51 lakhs as compared to INR 705.95 lakhs in the previous financial year.

3. CHANGE IN THE NATURE OF BUSINESS, IF ANY

During the financial year ended March 31, 2025, erstwhile Synegra EMS Limited, wholly owned subsidiary, amalgamated with the Company. The Company ceased to be a Non-Banking Financial Company ('NBFC') with effect from January 31, 2025. The Company has surrendered its certificate of registration of NBFC issued by the Reserve Bank of India. Post amalgamation, the company carries on the business of manufacture of Electronic and IT networking products.

In order to align the objects of the Company with the business dynamics, the Object clause of the Memorandum of Association of the Company is being altered. The resolution seeking shareholders' approval for alteration of object clause forms part of the AGM Notice.

4. DIVIDEND

Your directors have not recommended any dividend for the current financial year.

5. TRANSFER TO RESERVES

Your directors do not propose to transfer any amount to reserves during the year under review.

6. SHARE CAPITAL

The Paid-up Equity Capital of the Company as on March 31, 2025 stood at INR 1,99,50,000 consisting of 99,75,000 equity shares of INR 2 each. The Company has not issued shares with differential voting rights, employee stock options and sweat equity shares.

Post amalgamation of erstwhile Synegra EMS Limited with the Company, the authorised share capital of the company as on March 31, 2025 stood at INR 32,00,00,000 consisting of 16,00,00,000 Equity Shares of INR 2 each.

There was no fresh issue of shares during the year under review.

The Company has paid Listing Fees for the FY 2024-25 to each of the Stock Exchanges, where its equity shares are listed.

7. ANNUAL RETURN

As provided under Section 92(3) and Section 134(3)(a) of the Companies Act, 2013 ("the Act"), the Annual Return for FY 2024-25 is uploaded on the website of the Company and can be accessed at https://www.smartlinkholdings.com/investor-relations.

8. MEETINGS

The Board meets at regular intervals to discuss and decide on the Company/business policy and strategy apart from other Board business.

During the year, four Board Meetings and four Audit Committee Meetings were held. The details of the same are given in the Corporate Governance Report which forms part of this report. The intervening gap between the Meetings was within the period prescribed under the Companies Act, 2013 and Regulation 17 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations").

Pursuant to the provisions of part VII of the Schedule IV of the Act and Regulation 25 of the LODR Regulations, one meeting of Independent Directors was held on May 09, 2024 for transacting the business enumerated under the said provisions.

9. PARTICULARS OF LOANS / ADVANCES / GUARANTEE / INVESTMENTS OUTSTANDING DURING THE FINANCIAL YEAR

The Company has provided Guarantees to its wholly owned subsidiary, Digisol Systems Limited in compliance with Section 186 of the Companies Act, 2013. Particulars of the guarantees, loans and investments during the year under review in accordance with Section 186 of the Act, have been disclosed in the financial statements.

10. PARTICULARS OF CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES

All contracts/arrangements/transactions entered into by the Company during the financial year with related parties are in compliance with the applicable provisions of the Companies Act, 2013 and the LODR Regulations. All Related Party Transactions (RPTs) are placed before the Audit Committee and the Board for approval, if required. All RPTs that were entered into during the financial year were on arm's length basis and in the ordinary course of business.

The disclosures as required under IND-AS have been made in the notes to the Standalone Financial Statements. The particulars of contracts or arrangements entered into by the Company with related parties pursuant to Section 134(3)(h) of the Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 are given in Annexure – I in Form AOC-2 and the same forms part of this Directors' Report. The Company has developed a RPT Policy for the purpose of identification and monitoring such transactions.

The Policy on RPT as approved by the Board of Directors of the Company is available on the Company's website at https://www.smartlinkholdings.com/wp-content/uploads/2021/05/Related-Party-Transactions-Policy-Smartlink-2021.pdf.

11. MATERIAL CHANGES AND COMMITMENTS AFFECTING THE FINANCIAL POSITION OF THE COMPANY

There were no material changes/ commitments affecting the financial position of the Company during the period from the end of the financial year on March 31, 2025 to the date of this Report.

12. CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNINGS AND OUTGO

During the year your Company had undertaken following activities in this regard:

A. Conservation of Energy

1. Factory re-layout and consolidation of service activities was done in order to utilize common resources and decrease Energy consumption.
2. Installation of Energy efficient LED fixtures for factory.
3. Upgrading of SMT line with latest energy efficient reflow oven.
4. Energy efficient air compressors.

B. Research & Development & Technology Absorption

1. New Automated Optical Inspection System for quality improvement –reducing rework and inspection cost and overall carbon footprint.
2. Localisation of power adapters and plastic enclosures for various networking products.

There was no Foreign Exchange earned in terms of actual inflows during the year under review. The Foreign Exchange outgo during the year in terms of actual outflows was INR 6,320.93 lakhs.

13. SCHEME OF AMALGAMATION

The Board of Directors at its meeting held on February 09, 2024 had approved the Scheme of amalgamation of the company with erstwhile wholly owned Subsidiary, Synegra EMS Limited. The rationale for the Scheme was to foray into design, development, research in the field of Information Technology for networking products at the Holding company level, reduce managerial overlaps, regulatory compliances which are necessarily involved in running multiple entities and elimination of duplication of administrative expenses, consequently enabling cost savings, ease in raising funds at holding company level, to achieve economies of scale, greater integration, flexibility and market reach for the amalgamated entity and simplified corporate structure and ensuring more productive and optimum utilization of various resources.

The Scheme received the approval of the Honourable National Company Law Tribunal on January 09, 2025 and became effective on January 31, 2025 ('Effective Date') on filing the certified true copy of the Order of NCLT, Mumbai Bench along with a copy of the Scheme of Amalgamation with the jurisdictional Registrar of Companies, Goa, Ministry of Corporate Affairs, Government of India.

Pursuant to the amalgamation, the Company has ceased to be a Non-banking Finance Company from the Effective Date. The Company's primary business is manufacture of various categories of electronic and IT products and to also engage in contract manufacturing for original equipment manufacturers.

14. DETAILS OF SUBSIDIARY

Your Company has one wholly owned subsidiary namely Digisol Systems Limited ('Digisol'), a public Limited Company incorporated on August 17, 2016.

DIGISOL is the first Indian Brand in IT Networking that is taking India forward with its top-notch product offerings in various verticals like Smart Cities, Manufacturing, Real Estate, Healthcare, Telecom, Hospitality, Education, Surveillance, Data Centers, IT and Retail. DIGISOL offers an extensive range of IT networking products, including FTTH, Wireless (Wi-Fi), Switching and Structured Cabling systems (copper and fiber) Solutions.

Digisol earned a revenue of INR 19,383.46 lakhs as compared to INR 17,928.24 lakhs in the previous financial year. The profit before tax stood at INR 621.70 lakhs as compared to INR 173.63 lakhs in the previous financial year.

The financial statements of the Company are prepared in accordance with Section 129(3) of the Companies Act, 2013. Further, a statement containing salient features of the financial statements of our subsidiary in prescribed format AOC-1 is appended as Annexure – H to the Directors' Report. The statement also provides the details of performance and financial position of the subsidiary.

In accordance with Section 136 of the Act, the audited financial statements, including consolidated financial statements will be available on our website www.smartlinkholdings.com. The Company would provide the annual accounts of the subsidiary and the related detailed information to the shareholders of the Company on specific request made to it in this regard. The same will also be available at the Registered Office and corporate office of the Company for inspection during office hours.

Digisol Systems Limited is an unlisted Material Subsidiary of the Company. The Company has formulated a Policy on Material Subsidiary as required under LODR Regulations and the policy is uploaded on the website of the Company at https://www.smartlinkholdings.com/wp-content/uploads/2020/03/Subsidiary-Policy-2019-amended.pdf.

15. COMPANIES WHICH HAVE BECOME OR CEASED TO BE THE COMPANY'S SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES

During the financial year under review, Synegra EMS Limited ceased to be the wholly owned subsidiary of the Company on account of amalgamation with the Company.

16. RISK MANAGEMENT

Pursuant to section 134(3)(n) of the Act, the Company has a Risk Management (RM) framework to identify, evaluate Business risks and opportunities. This framework seeks to create transparency, minimize adverse impact on the business objectives and enhance the Company's competitive advantage.

The risk framework defines the risk management approach across the enterprise at various levels including documentation and reporting. The framework helps in identifying risk trend, exposure and potential impact analysis at a Company level.

The Risk Management policy formulated by the Company has identified the key business risks and also the plans to mitigate the risks.

17. DIRECTORS AND KEY MANAGERIAL PERSONNEL

a. Key Managerial Personnel

Mr. Kamalaksha Rama Naik, Executive Chairman, Mr. K. G. Prabhu, Chief Financial Officer and Mr. Edlan Fernandes, Company Secretary have been designated as Key Managerial Personnel in accordance with the provisions of Section 203 of the Act. During the year under review, Ms. Urjita Damle resigned from the post of Company Secretary and Compliance officer on August 11, 2024. Mr. Edlan Fernandes was appointed as Company Secretary and Compliance officer with effect from August 12, 2024.

b. Appointment of Directors

Mr. Satish Vishnu Godbole (DIN 02596364) was appointed as an Additional Director designated as Non-Executive Independent Director of the Company with effect from March 31, 2024. He was regularised as Director by the members of the Company by means of Postal Ballot on June 16, 2024.

Dr. Lakshana Amit Sharma (DIN 10525082) was appointed as an Additional Director designated as Non-Executive Non-Independent Director of the Company with effect from March 31, 2024. She was regularised as Director by the members of the Company by means of Postal Ballot on June 16, 2024.

Mr. Chandrashekhar Maruti Gaonkar (DIN 00002016) was appointed as an Additional Director designated as Non- Executive Independent Director of the Company with effect from May 09, 2024. He was regularised as Director by the members of the Company by means of Postal Ballot on June 16, 2024.

Mr. Nitin Anant Kunkolienker (DIN 00005211) was appointed as an Additional Director designated as Non- Executive Independent Director of the Company with effect from February 10, 2025. He was regularised as Director by the members of the Company by means of Postal Ballot on April 10, 2025.

c. Re-appointment of Directors

Mr. Kamalaksha Naik (DIN 00002013), Executive Chairman of the Company was reappointed as Executive Chairman (Wholetime Director) of the company, at the Annual General Meeting of the Company held on August 10, 2024, for a further period of 5 years with effect from December 26, 2024.

Ms. Arati Naik (DIN 06965985), Executive Director of the Company, who retired by rotation in terms of Section 152(6) of the Companies Act, 2013 was re-appointed as Executive Director of the Company at the 31st AGM held on August 10, 2024.

Mr. Kamalaksha Naik (DIN:00002013) Executive Chairman of the Company retires by rotation and being eligible, offers himself for re-appointment as per section 152(6) of the Companies Act, 2013. The Business seeking shareholders' approval for his re-appointment forms part of the AGM Notice

In the opinion of the Board, Mr. C.M. Gaonkar and Mr. Nitin Kunkolienker appointed as Non - Executive Independent Directors possesses requisite integrity, expertise, experience and proficiency.

During the year under review, the non-executive directors of the Company had no pecuniary relationship or transactions with the Company, other than sitting fees and reimbursement of expenses incurred by them for the purpose of attending meetings of the Board/Committee of the Company.

d. Retirement of Directors

During the year under review, Mr. Bhanubhai Ramjibhai Patel (DIN 00223115), Independent Director of the Company ceased to be director of the Company on completion of his second term as Independent Director on September 08, 2024. The Board places on record its appreciation for the assistance and guidance provided by Mr. Bhanubhai Patel during his tenure as Independent Director of the Company.

e. Declaration by Independent Director

Pursuant to sub-section (7) of Section 149 of the Companies Act, 2013 read with the rules made thereunder, all the Independent Directors of the Company have given the declaration that they meet the criteria of independence as laid down in sub-section (6) of section 149 of the Act and Regulation 16(1)(b) of the LODR Regulations.

18. SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS

There was no significant material orders passed by the Regulators / Courts which would impact the going concern status of the Company and its future operations.

19. INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an Internal Financial Control System, commensurate with the size, scale and complexity of its operations.

The Management evaluates the efficacy and adequacy of internal control system in the Company, its compliance with operating systems, accounting procedures and policies of the Company.

20. DEPOSITS FROM PUBLIC

The Company has not accepted any deposits from the public/members under Section 73 of the Act read with the Companies (Acceptance of Deposits) Rules, 2014 during the financial year under review.

21. SECRETARIAL AUDITOR AND AUDITORS' REPORT

Pursuant to the provisions of Section 204 of the Act read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Regulation 24A of the LODR Regulations, upon the recommendation of the Audit Committee, the Board of Directors approved and recommended for shareholders' approval the appointment of Mr. Shivaram Bhat, Company Secretary in Practice (ACS No. 10454, Certificate of Practice No. 7853, PR 1775/2022) for a term of 5 (five) years beginning from FY 2025-26, to carry out the Secretarial Audit of the Company.

The Report of the Secretarial Auditor for FY 2024-25 is attached herewith as Annexure - B. There are no qualifications, observations or adverse remarks or disclaimer in the said report.

Pursuant to Regulation 24A of LODR Regulations read with SEBI Circular No. CIR/CFD/CMD1/27/2019 dated February 08, 2019, the Secretarial Audit Report of Material unlisted Subsidiary of the Company namely Digisol Systems Limited is annexed as Annexure – C to this Directors' Report.

The Annual Secretarial Compliance Report of the Company for the financial year ended March 31, 2025 on compliance of all applicable SEBI Regulations and circulars/guidelines issued thereunder was obtained from Mr. Shivaram Bhat, Secretarial Auditor. The report is uploaded on the website of the company at https://www.smartlinkholdings.com/wp-content/uploads/2025/05/Smartlink_SecretarialComplianceReport_31.03.2025.pdf

22. CORPORATE SOCIAL RESPONSIBILITY (CSR)

Pursuant to Section 135 of the Act, read with rules made thereunder, the Company has formulated a Corporate Social Responsibility Policy ('CSR Policy') indicating the activities to be undertaken by the Company, which has been approved by the Board. The CSR Policy of the Company may be accessed on the Company's website at https://www.smartlinkholdings.com/wp-content/uploads/2020/03/3.-Corporate-Social-Responsibility-Policy.pdf

Under Section 135 of the Act, the Company was not required to spend any amount on CSR activities in the FY 2024-25. The Annual Report on CSR activities pursuant to Section 135 of the Act and the Companies (Corporate Social Responsibility Policy) Rules, 2014 is annexed as Annexure – G to this Report.

23. AUDIT COMMITTEE

The composition of the Audit Committee is in line with the provisions of Section 177 of the Act and Regulation 18 of LODR Regulations. The Chairman of the Audit Committee is an Independent Director. The details of the composition of the Audit Committee are given in the Corporate Governance Report which is part of this Directors' report. During the year, all the recommendations of the Audit Committee were accepted by the Board.

Further, in terms of section 177(8) of the Act, it is stated that there were no such instances where the Board of Directors have not accepted the recommendations of the Audit Committee during the FY 2024-25.

24. ANNUAL EVALUATION OF THE BOARD, ITS COMMITTEES AND INDIVIDUAL DIRECTORS

The Company has devised a Policy for performance evaluation of the Board, Committees and other individual Directors (including independent directors) which includes criteria for performance evaluation of Non-Executive Directors and Executive Directors. The evaluation process inter-alia considers attendance of the Directors at Board and Committee meetings, effective participation, domain knowledge, compliance with code of conduct, vision and strategy, etc.

Pursuant to the provisions of the Act, and the LODR Regulations, the Board has carried out an annual performance evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Nomination & Remuneration and other Committees.

a) Observations of board evaluation carried out for the year - There were no observations in the Board Evaluation carried out during the financial year;

b) Previous year's observations and actions taken - There were no observations of the Board for the last financial year;

c) Proposed actions based on current year observations - Not applicable.

The manner in which the evaluation has been carried out has been given in the Corporate Governance Report.

25. NOMINATION AND REMUNERATION COMMITTEE

The Board has, on recommendation of the Nomination & Remuneration Committee framed a policy for selection and appointment of Directors, Senior Management and their remuneration. The details of Remuneration Policy are stated in the Corporate Governance Report.

The Company's remuneration policy is driven by the success and performance of the individual employees, senior management, Executive Directors of the Company and other relevant factors including the following criteria:

a) The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors of the quality required to run the Company;

b) Relationship of remuneration to performance is clear and meets appropriate performance industry benchmarks; and

c) Remuneration to Directors, Key Managerial Personnel and Senior Management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the Company and its goals.

It is affirmed that the remuneration paid to Directors, Key Managerial Personnel and all other employees is as per the Remuneration Policy of the Company.

The composition of the Nomination and Remuneration Committee (NRC) is in line with Section 178 of the Act read with Regulation 19 of LODR Regulations. The details of meetings and their attendance are included in the Corporate Governance Report.

26. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Stakeholders Relationship Committee (SRC) is in line with Section 178 of the Act read with Regulation 20 of LODR Regulations. The details of the composition of the Stakeholders Relationship Committee are given in the Corporate Governance Report which forms part of this report.

27. VIGIL MECHANISM / WHISTLE BLOWER POLICY

Pursuant to the provisions of section 177 of the Act, read with rules made thereunder, the Company has established a vigil mechanism for Directors and employees to report genuine concerns about unethical behaviour, actual or suspected fraud or violation of code of conduct which provides for adequate safeguards against victimization of director(s) / employee(s) and also provides for direct access to the Chairman of the Audit committee in exceptional cases. The Audit Committee and the Board of Directors have approved the Whistle Blower Policy and the details are available on the website of the Company under the weblink https://www.smartlinkholdings.com/wp-content/uploads/2020/03/Whistle-Blower-Policy-Final-2019.pdf.

During the year under review, the Company through its Audit Committee has not received any complaints relating to unethical behaviour, actual or suspected fraud or violation of company's code of conduct from any employee or director.

28. CORPORATE GOVERNANCE

As required under Schedule V of the LODR Regulations, the Report on Corporate Governance as well as the Practicing Company Secretary's Certificate regarding compliance of Conditions of Corporate Governance forms a part of Directors' Report as Annexure – D and Annexure – E respectively.

29. STATEMENT OF PARTICULARS OF APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL

The information required under section 197 of the Act read with Rule 5(1)(i) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is enclosed as Annexure – F to this Directors' Report.

30. DISCLOSURES AS PER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As the per provisions of Section 4 of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013, your Company has constituted an Internal Complaints Committee for redressal of complaints against sexual harassment.

There were no complaints relating to sexual harassment, pending at the beginning of financial year, received during the year and pending as at the end of the FY 2024-25.

31. REPORTING OF FRAUDS

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Act and Rules framed thereunder either to the Company or to the Central Government.

32. STATUTORY AUDITOR AND AUDIT REPORTS

M/s Shridhar & Associates, Chartered Accountants (FRN 134427W) were appointed as the Statutory Auditors of the Company for a period of four years of the first term, commencing from FY 2022-23. The Statutory Auditors have given a confirmation to the effect that they are eligible to be appointed and not disqualified from continuing as the Statutory Auditors.

The Statutory Auditors had carried out audit of financial statements of the Company for the financial year ended March 31, 2025 pursuant to the provisions of the Act. The reports of Statutory Auditors form part of the Annual Report.

The statutory auditor's report does not contain any qualifications, reservations, or adverse remarks or disclaimer

33. COST AUDIT AND COST RECORDS

During the relevant period, for the purpose of Section 148 of the Act, read with the rules made thereunder, the requirement of cost audit is not applicable for the business activities carried out by the Company.

The Company has maintained cost records as specified by the Central Government under sub-section (1) of Section 148 of the Companies Act, 2013 and the Companies (Cost Records and Audit) Rules, 2014.

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

The Management Discussion and Analysis including the result of operations of the Company for the year, as required under Schedule V of the LODR Regulations, is appended to the Directors' Report as Annexure - A.

35. DETAILS OF APPLICATION MADE OR ANY PROCEEDING PENDING UNDER THE INSOLVENCY AND BANKRUPTCY CODE, 2016 (31 OF 2016)

No application was received or any proceedings filed under the Insolvency and Bankruptcy Code, 2016 (31 of 2016) during the financial year 2024-25.

36. BUSINESS RESPONSIBILITY AND SUSTAINABILITY REPORT

Pursuant to Regulation 34 (2) (f) of LODR Regulations, the Business Responsibility and Sustainability Report for the financial year 2024-25 is not applicable to the Company.

37. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors, to the best of its knowledge and ability, hereby state and confirm that:

a) in the preparation of annual accounts for the financial year ended March 31, 2025, the applicable accounting standards have been followed and that no material departures have been made from the same;

b) appropriate accounting policies have been selected and applied consistently and judgments and estimates have been made that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2025 and the profits of the Company for that period;

c) proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Act, for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities;

d) the annual accounts have been prepared on a 'going concern' basis;
e) proper internal financial controls were in place and that the financial controls were adequate and were operating effectively; and
f) that systems to ensure compliance with the provisions of all applicable laws were in place and were adequate and operating effectively.

38. INVESTOR EDUCATION AND PROTECTION FUND (IEPF)

a) Transfer of unclaimed dividend

Pursuant to the applicable provisions of the Act, read with IEPF Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ('the Rules'), all unpaid and unclaimed dividend are required to be transferred to the IEPF established by the Government of India, after completion of seven years. Accordingly, dividend of INR 1,78,764 declared in the FY 2016-17 which remained unpaid or unclaimed was transferred to the IEPF Authority in the FY 2024-25.

b) Transfer of Shares to IEPF

According to the provisions of section 124 of the Act, and Rules made thereunder, the shares on which dividend has not been paid or claimed by shareholders for seven consecutive years shall be transferred to Demat account of IEPF Authority. Accordingly, 21,317 shares were transferred as per the requirements of IEPF Rules during FY 2024-25.

39. PREVENTION OF INSIDER TRADING

The Company has adopted a Code of Conduct for Prevention of Insider Trading in compliance with SEBI (Prohibition & Insider Trading) Regulation, 2015 duly amended and approved at its board meeting with a view to regulate trading in securities by the designated persons of the Company.

40. SECRETARIAL STANDARDS

The Institute of Company Secretaries of India has currently mandated compliance with the Secretarial Standards on board meetings and general meetings. During the year under review, the Company has complied with the applicable Secretarial Standards.

41. GREEN INITIATIVE

As part of our green initiative, the electronic copies of this Annual Report including the Notice of the 32nd AGM are sent to all members whose email addresses are registered with the Company / Registrar / Depository Participant(s). The Company welcomes and supports the 'Green Initiative' undertaken by the Ministry of Corporate Affairs, Government of India, enabling electronic delivery of documents including the Annual Report, quarterly and half-yearly results, amongst others, to Shareholders at their e-mail address previously registered with the DPs and RTA.

The requirement of sending physical copies of Annual Report to those shareholders who have not registered their email addresses is dispensed with for Listed Entities who would be conducting their AGMs upto September 30, 2025 vide SEBI Circular No. SEBI/HO/CFD/CFD-PoD-2/P/CIR/2024/133 dated October 3, 2024. In this respect the physical copies are not being sent to the shareholders. The Company is sending letters to shareholders whose e-mail addresses are not registered with Company/ Registrar/DP providing the weblink of Company's website from where the Annual Report for FY 2024-25 can be accessed. The copy of the Annual Report would be available on the website of the Company at www.smartlinkholdings.com. However, the Shareholders of the Company may request physical copy of the Notice and Annual Report from the Company by sending a request at company.secretary@smartlinkholdings.com in case they wish to obtain the same.

The Company is providing e-voting facility to all its members to enable them to cast their votes electronically on business items set forth in the Notice. This is pursuant to Section 108 of the Act, and Rule 20 of the Companies (Management and Administration) Rules, 2014. The instructions for e-voting are provided in the AGM Notice.

42. ACKNOWLEDGEMENT

The Directors wish to convey their deep appreciation to all the customers, vendors, dealers, distributors, resellers, bankers, investors, Goa Industrial Development Corporation, State Industries, Electricity and other Government departments for their sincere and dedicated services as well as their collective contribution to the Company's performance.

The Directors also take this opportunity to thank the employees for their dedicated service throughout the year.

For and on behalf of the Board of Directors

K. R. Naik	**C.M. Gaonkar**
Executive Chairman	Director
DIN: 00002013	DIN: 00002016
Place: Mumbai	Place: Mumbai
Date: May 09, 2025	Date: May 09, 2025

Management Discussion and Analysis

ECONOMIC OVERVIEW

The global economic outlook for 2025 continues to face challenges amid persistent geopolitical uncertainties and protectionist trade measures. According to the International Monetary Fund (IMF), global growth is forecasted at 2.8% in 2025, down from 3.3% in 2024, reflecting slower expansion in both advanced and emerging markets. This deceleration stems largely from rising trade tensions and fiscal tightening in major economies.

Global inflation, although easing, remains a concern. Headline inflation is expected to decline to 4.2% in 2025, with core inflation reducing more gradually. Advanced economies are projected to normalize inflation rates sooner than developing economies, allowing for more accommodative monetary policies.

Despite global headwinds, the resilience of domestic consumption and investment in several economies, including India, has cushioned the overall slowdown.

Source: IMF World Economic Outlook (April 2025)

THE INDIAN ECONOMY

India remains a bright spot in the global economic landscape. In FY 2024–25, the Indian economy expanded by a robust 6.8%, as per IMF projections, reaffirming its position as the fastest-growing major economy. This growth was fuelled by:

- Strong domestic consumption, driven by rising disposable income and favourable demographic dynamics.
- Increased capital expenditure, particularly in infrastructure and digital public infrastructure.
- Export resilience, despite subdued global demand.

Nominal GDP in FY 2024-25 is estimated to have crossed INR 320 lakh crores (~US$ 3.84 trillion), continuing India's trajectory toward becoming a US$5 trillion economy in the coming years.

Source: IMF World Economic Outlook (April 2025), Ministry of Finance (India), Reserve Bank of India (RBI)

INDUSTRY OUTLOOK IN INDIA

The Indian Networking Industry

India's IT & Business Services sector continues to demonstrate robust growth. According to IDC, the market is projected to expand at a Compound Annual Growth Rate (CAGR) of 7.2% from 2022 to 2027, reaching US$19.59 billion by 2027. This growth is driven by increased adoption of cloud services, cybersecurity solutions, and emerging technologies such as Generative AI and 5G.

The networking segment, encompassing Ethernet switches, routers, and WLAN, is poised for significant expansion due to rising demand for digital infrastructure and connectivity solutions.

The enterprise networking market in India is expected to grow at a CAGR of 5.2% over the next five years. This growth is fueled by enterprises transitioning to cloud-based operations and hybrid work models, necessitating investments in networking solutions and services that support these strategies. *(GlobalData)*

In FY 2024–25, the Indian telecom sector witnessed substantial investments, with capital expenditure reaching approximately INR 70,000 crore, primarily directed towards 5G rollouts and network densification. The sector's revenue grew by 7–9%, driven by increased data consumption and enterprise demand for advanced connectivity solutions. *(The Hindu, The Economic Times)*

Looking ahead to FY 2025–26, the networking industry is expected to maintain its growth trajectory. Key factors contributing to this outlook include: *(Telecom India, GlobalData)*

5G Expansion: India has rapidly expanded its 5G infrastructure, with over 3.94 lakh 5G base stations established across all states as of December 2023. *(theoutpost.ai, The Times of India)*

Data Centre Growth: The Indian data centre market is projected to grow from USD 4.5 billion in 2023 to USD 11.6 billion by 2032, indicating a strong demand for networking infrastructure to support data storage and processing needs. *(Zee Biz)*

Government Initiatives: Programs like the Production Linked Incentive (PLI) scheme for telecom and networking equipment have bolstered domestic manufacturing, enhancing the local value chain and promoting self-reliance in the industry. *(Indian Infrastructure)*

These developments underscore a positive outlook for the Indian networking industry in FY 2025–26, with sustained investments and technological advancements driving growth.

THE INDIAN NETWORKING MARKET IN 2024

(Values in USD million)

Particulars	Q1 2024		Q2 2024		Q3 2024		Q4 2024	
	Value	Growth	Value	Growth	Value	Growth	Value	Growth
Ethernet Switch Market	**200**	+17.6%	**182**	+6.4%	**227**	-8.8%	**187**	NA
Router Market	**66**	-14.7%	**86**	-13.4%	**77**	-40.2%	**86**	NA
WLAN	**85**	+9.1%	**57**	+19.2%	**51.5**	+3.1%	**56**	NA

BUSINESS OVERVIEW

SMARTLINK HOLDINGS LIMITED

Smartlink Holdings Ltd. has been in the Networking Products business for more than three decades and involved in sourcing, manufacturing, sales, marketing, and support along with in-house R&D facilities to enhance the businesses in a focused manner using its expertise of over three decades. The Company has an independent subsidiary, namely, Digisol Systems Limited.

DIGISOL SYSTEMS LIMITED

Digisol Systems Ltd. is the First Indian Brand in IT Networking that is taking India forward with its top-notch Product offerings in various verticals like Smart Cities, Manufacturing, Real Estate, Healthcare, Telecom, Hospitality, Education, Surveillance, Data Centres, IT and Retail.

Digisol Systems is a brand product company with Sales, Marketing and all India Service Support.

Digisol offers an extensive range of IT networking products, including Structured Cabling systems (copper and Fiber), FTTH, Switching, and Wireless solutions.

The FTTH products range includes – XPON, GEPON, GPON, ONU, OLTs, Splitters, Fiber Distribution Box, and Fiber cables.

Switching solutions range includes a wide range of Managed, Unmanaged, fully managed, Lite/Smart managed, Chassis Switch, Industrial Switch, Transceiver, Media converters, Multigig Switches.

Wireless solutions range includes Wifi-6 Indoor / Outdoor / Enterprise Access Points, Controllers and Range Extender.

The Structured Cabling product range includes Solid Cable, Keystones, Patch Panels, Copper Patch Cord, Faceplates, RJ45 Connectors, Fiber Patch Cords, Pigtail, Fiber LIUs, Splitters, etc.

The IT networking industry grows by leaps and bounds every year; however, the one thing that stays comparatively constant is the brand. Due to the technology industry's accelerated evolution, brands take on increased importance by providing an effective counterbalance to what buyers perceive as constant change, clutter, and confusion. While we strive to push the boundaries with our marketing activities, we accord great importance to brand building, which will ensure our long-term success.

DIGISOL has established its brand positioning as a '1st Indian Brand in IT Networking Solutions that offers products of global standards, credibility and delivers a fantastic user experience.

DIGISOL has carried out various initiatives like DIGISOL Cash Karo loyalty program to enhance the relationship with existing electricians, technicians and partners by giving them a chance to earn more loyalty points on their purchase of DIGISOL products.

We have in place DIGISOL Premium Partners Program to build relationships with the partners by rolling out various Sales Scheme for both Active and Passive range of products.

FINANCIAL PERFORMANCE

i) Standalone Financials

In the financial year 2024-25, the Company achieved a Revenue from operations of INR 9,696.51 lakhs as compared to INR 8,845.45 lakhs in the previous year. The Company's Profit after Tax for the year ending March 31, 2025 was INR 253.68 lakhs as compared to profit after tax of INR 615.87 lakhs in the previous year.

Key Financials Ratios:

Particulars	FY 2025	FY 2024	% Change	Reason
Current Ratio	10.69	5.46	96%	Change on account of repayment of borrowings and lower trade payables
Operating Profit Margin in %	3.35%	12.51%	(73.22)%	Change on account of higher operating costs
Net Profit Margin in %	(0.36)%	8.25%	(104)%	Change on account of Higher Product development costs and legal and professional costs
Return on Net Worth in %	(0.18)%	3.69%	(105)%	Decrease on account of lower profits during the year
Debt Equity Ratio	0.00	0.04	100%	Change on account of repayment of borrowings and increase in other equity on account of profit during the year.
Debtors Turnover Ratio	6.11	12.88	(53)%	Change on account of higher revenue during the year
Inventory Turnover Ratio	16.81	7.46	125%	COGS increase is due to higher revenue during the year and better inventory management during the year
Interest Coverage Ratio	0.48	7.33	(93.45)%	Due to higher operating costs and higher other expenses

ii) Consolidated Financials

In the financial year 2024-25, the group achieved a Revenue from operations of INR 21,452.63 lakhs as compared to INR 19,817.24 lakhs in the previous year. The consolidated profit after tax for the year ending March 31, 2025 was INR 660.51 lakhs as compared to profit after tax of INR 705.95 lakhs in the previous year.

HUMAN RESOURCES

Smartlink and its subsidiary, Digisol Systems Limited are striving to build and maintain a positive employee experience with high satisfaction and quality of life, so that employees can contribute their best efforts to their work. We as a progressive organization are conscious of our societal, organizational, and human goals and our human values form the backbone of our organization.

Our Values:

- Ethical and Integrity based approach in everything we do
- Value and develop employees for Talent, Initiative and Leadership
- Employee motivation through ownership and empowerment
- Performance and collaboration
- Customer Orientation and delight

Our vision has been to create a committed workforce through Shaping talent management around skills, knowledge sharing practices based upon our value system. The key element of our Human Resource strategy is to Drive HR innovations, to create people culture, and productivity accelerators through a hybrid work culture embedded with employee experience and wellness.

As on March 31, 2025, the Smartlink Group has 200+ employees. Smartlink' s future success evolves around our ability to attract top talent, retain, and motivate highly qualified technical and management personnel, to approach the VUCA world.

RISK FACTORS

Smartlink invests its surplus in various financial instruments like mutual fund, bonds, non-convertible debentures and other securities and thus Smartlink is exposed to credit risk, market risk and interest rate risk.

The risk of technological obsolescence is very high in the segments where the Group operate. Moreover, the technological advancements are dictated by the large OEM players. On the other hand, we need to continuously invest to keep launching new products to enhance reach and reputation amongst customers and channel partners.

The Group is exposed to fluctuations in foreign exchange rate, in particular the movement of US dollar vis-à-vis the Indian Rupee as the Group import substantial amount components where the payment is in US Dollars. The fluctuation in interest rates and foreign exchange rates pose a risk to the competitiveness and pricing ability of the company. In today's constantly changing markets, companies may opt to maintain and grow sales by selling at competitive prices. Products have become commoditized over time as alternative products become available or the number of suppliers offering the same product increases.

INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACIES

Smartlink has aligned its current systems of internal financial control with the requirement of the Companies Act, 2013. The Internal Control framework is intended to increase transparency and accountability in an organisation's process of designing and implementing a system of internal control. The framework requires the Company to identify and analyse risks and manage appropriate responses. The Company has successfully laid down the framework and ensured its effectiveness. Smartlink's internal controls are commensurate with its size and the nature of its operations. These have been designed to provide reasonable assurance with regard to recording and providing reliable financial and operational information, complying with applicable statutes, safeguarding assets from unauthorised use, executing transactions with proper authorization and ensuring compliance of corporate policies.

THE AUDIT COMMITTEE PERIODICALLY REVIEWS THE FUNCTIONS OF INTERNAL AUDIT

Our management assessed the effectiveness of the Company's internal control over financial reporting (as defined in Regulation 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("LODR Regulations") as of March 31, 2025. Based on its evaluation (as defined in section 177 of Companies Act, 2013 and Regulation 18 of LODR Regulations, our audit committee has concluded that, as of March 31, 2025, our internal financial controls were adequate and operating effectively.

DISCLAIMER

Certain statements made in this report relating to the Company's objectives, projections, outlook, estimates, etc. may constitute 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ from such estimates or projections etc., whether expressed or implied. Several factors including but not limited to economic conditions affecting demand and supply, government regulations and taxation, input prices, exchange rate fluctuation, etc. over which the Company does not have any direct control, can make a significant difference to the Company's operations. The Company undertakes no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise. Readers are cautioned not to place undue reliance on any forward-looking statements. The MD&A should be read in conjunction with the Company's financial statements included herein and the notes thereto.

Annexure - B

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To The Members,

SMARTLINK HOLDINGS LIMITED

L-7, Verna Industrial Estate, Verna, Salcete, Goa-403722

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **SMARTLINK HOLDINGS LIMITED**. Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2025 (hereinafter referred to as the "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder;

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment (provisions of external commercial borrowing and Overseas Direct Investment not applicable to the Company during the Audit Period);

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 (Not applicable to the Company during the audit period);

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 (Not applicable to the Company during the audit);

   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 (Not applicable to the Company during the audit period);

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021; (Not applicable to the Company during the audit period);

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018. (Not applicable to the Company during the audit period);

   vi. The following law and Regulation applicable specifically to the Company (as per the representations made by the Company) viz.,

      a) RBI regulations for Non- Banking Financial Companies to the extent applicable.

      b) The Environment (Protection) Act 1986;

      c) E-Waste Rules, 2016

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited read with the SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

I further report that -

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors, including Women Director as prescribed. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review;

Mr. Chandrashekhar Maruti Gaonkar (DIN: 00002016) and Mr. Nitin Anant Kunkolienker (DIN: 00005211) were appointed as Independent Directors with effect from 9th May, 2024 and 10th February, 2025 respectively. Independent Director Mr. Bhanubhai Ramjibhai Patel (DIN: 00223115) retired on 8th September, 2024.

Adequate notice is given to all directors to schedule the Board Meetings including committees thereof along with agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the Directors. The decisions were carried unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period:

1. At the Annual General Meeting held on 10th August, 2024, a special resolution was passed for Re-appointment of Mr. K.R. Naik as Executive Chairman (Whole time Director) to hold office for further term of Five years from 26th December, 2024.
2. Vide Postal Ballot dated June 16, 2024, special resolutions were passed approving appointment of Independent Directors –
   a) Mr. Satish Vishnu Godbole (DIN 02596364) for a term of 5 years from 31st March, 2024; and
   b) Mr. Chandrashekhar Maruti Gaonkar (DIN 00002016) for a term of 3 years from 9th May, 2024
3. Scheme of Amalgamation of Synegra EMS Limited with Smartlink Holdings Limited was approved by the Hon. Mumbai Bench of NCLT vide order dated 09th January, 2025:
   a. The 'appointed date' under the said Scheme is 1st April, 2024.
   b. Consequent to the Scheme becoming effective, Memorandum of Association and Article of Association stands amended to the extent of an increase in the authorized Capital from INR 7,00,00,000 to INR 32,00,00,000.
   c. Vide its letter dated 1st February, 2025, the company has intimated the stock exchange that it ceased to be an NBFC.
   d. An application for cancellation of Certificate of Registration as NBFC has been submitted by the Company to the Reserve Bank of India.

Shivaram Bhat

Place : Panaji, Goa
Date : May 5, 2025

Practicing Company Secretary
ACS 10454 **CP** 7853 **PR** 1775/2022
UDIN: A010454G000305751

This Report is to be read with my letter of even date which is annexed as Annexure A and Forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat

Place : Panaji, Goa
Date : May 5, 2025

Practicing Company Secretary
ACS 10454 **CP** 7853 **PR** 1775/2022
UDIN: A010454G000305751

Annexure - C

Secretarial Audit Report

FOR THE FINANCIAL YEAR ENDED 31st MARCH, 2025

[Pursuant to section 204 (1) of the Companies Act, 2013 and Rule No.9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To The Members,

DIGISOL SYSTEMS LIMITED
Plot No. L-7, Verna Industrial Estate, Verna, Salcete, Goa-403722

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **DIGISOL SYSTEMS LIMITED** (hereinafter called as the 'Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended 31st March, 2025 (hereinafter referred to as the "Audit Period") generally complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended 31st March, 2025 according to the provisions of:

i. The Companies Act, 2013 (the Act) and the rules made thereunder;

ii. The Securities Contracts (Regulation) Act, 1956 and the rules made thereunder (Not applicable to the Company during the audit period);

iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder ;

iv. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder *(Not applicable to the Company during the audit period)*;

v. The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

   a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 *(Not applicable to the Company during the audit period)*;

   b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 *(Not applicable to the Company during the audit period)*;

   c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2018 *(Not applicable to the Company during the audit period)*;

   d) The Securities and Exchange Board of India (Share Based Employee Benefits and Sweat Equity) Regulations, 2021 *(Not applicable to the Company during the audit period)*;

   e) The Securities and Exchange Board of India (Issue and Listing of Non-Convertible Securities) Regulations, 2021 *(Not applicable to the Company during the audit period)*;

   f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

   g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2021 *(Not applicable to the Company during the audit period)*; and

   h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018 *(Not applicable to the Company during the audit period)*.

vi. The following laws and Regulations applicable specifically to the Company (as per the representations made by the Company) viz.,

   a) The Environment (Protection) Act 1986;

   b) E-Waste Rules, 2016

I have also examined compliance with the applicable clauses of the following:

i. Secretarial Standards issued by The Institute of Company Secretaries of India.

ii. SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the extent applicable, being a material subsidiary of listed entity.

During the period under review the Company has generally complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above.

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors as prescribed. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. During the year under review, Mr. Satish Vishnu Godbole (DIN: 02596364) was appointed as Non-Executive Director with effect from 1st May, 2024.

Adequate notice is given to all directors to schedule the Board Meetings along with agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting by the Directors. The decisions were carried unanimously.

I further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

I further report that during the audit period, a Special Resolution was passed approving the re-appointment of Mr. K.R. Naik as a Whole-time Director of the company to hold office for a further term of Five years with effect from 11th May, 2024.

Shivaram Bhat

Place : Panaji, Goa
Date : May 9, 2025

Practicing Company Secretary
ACS10454 **CP**7853 **PR**1775/2022
UDIN: A010454G000316848

This Report is to be read with my letter of even date which is annexed as **Annexure A** and Forms an integral part of this report.

'ANNEXURE A'

(My report of even date is to be read along with this Annexure.)

1. Maintenance of Secretarial record is the responsibility of the management of the Company. My responsibility is to express an opinion on these secretarial records based on my audit.
2. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. I believe that the processes and practices I followed provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Wherever required, I have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. My examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat

Place : Panaji, Goa
Date : May 9, 2025

Practicing Company Secretary
ACS10454 **CP**7853 **PR**1775/2022
UDIN: A010454G000316848

Annexure-D

Report on Corporate Governance

The detailed report on Corporate Governance as per the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as "LODR Regulations") is set out below:

1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company's philosophy on Corporate Governance is to attain highest level of transparency and accountability in the functioning of the Company and in its relationship with employees, shareholders, creditors, dealers, and ensuring high degree of regulatory compliances.

The Company also believes that its systems and procedures will enhance corporate performance and maximize shareholder's value in the long term.

The Company's policies focus on the augmentation of long-term shareholders' value without compromising on integrity, social obligations and regulatory compliances. While dealing with its stakeholders, the Company functions within recognized standards of propriety, fair play, and justice and aims at creating a culture of openness.

2. BOARD OF DIRECTORS

a) Composition and Category of Directors

The present Board comprises of 7 members consisting of 2 Executive Directors, 1 Non-Executive Non-Independent Director and 4 Non-Executive, Independent Directors, including 2 Women Directors. The Company has an Executive Chairman. The names and category of each Director is given below.

Name of the Director	Category
Mr. Kamalaksha Rama Naik	Executive Chairman and Promoter
Ms. Arati Kamalaksha Naik	Executive Director and Promoter
Mr. Pradeep Anant Rane	Non-Executive and Independent
Mr. Satish Vishnu Godbole	Non-Executive and Independent
Mr. Chandrashekhar Maruti Gaonkar	Non-Executive and Independent
Dr. Lakshana Amit Sharma	Non-Executive, Non-Independent and Promoter
Mr. Nitin Anant Kunkolienker	Non-Executive and Independent

None of the Directors on the Board hold directorships in more than ten public Companies and 7 listed entities. Further, none of them is a member of more than ten committees or Chairman of more than five committees across all the public Companies in which he or she is a Director. Necessary disclosures regarding committee positions in other public Companies as on March 31, 2025 have been made by the Directors. None of the Directors are related except Mr. K. R. Naik, Ms. Arati Naik and Dr. Lakshana Sharma.

b) Category and attendance of Directors

Details of attendance of Directors at the Board meetings and at the last Annual General Meeting ("AGM") with particulars of their Directorship and Chairmanship/Membership of Board/committees in other Companies are as under:

Name of the Director	Category*	No. of Board Meetings attended during FY 2024-25	Attendance at AGM held on August 10, 2024	No. of other Directorships (As on 31.03.2025)#	No. of Committee Positions in Mandatory Committees@	
					Member	Chairman
Mr. Kamalaksha Naik	EC	4	Yes	1	Nil	Nil
Ms. Arati Naik	ED	3	Yes	1	Nil	Nil
Mr. Pradeep Rane	NED and IND	4	Yes	1	Nil	Nil
Mr. Bhanubhai Patel+	NED and IND	2	Yes	NA	NA	NA
Mr. Satish Godbole	NED and IND	4	Yes	1	Nil	Nil
Mr. Chandrashekhar Gaonkar ^	NED and IND	3	Yes	1	1	Nil
Mr. Nitin Kunkolienker$	NED and IND	1	NA	2	1	Nil
Dr. Lakshana Sharma	NED and Non-IND	3	Yes	Nil	Nil	Nil

** EC: Executive Chairman, ED: Executive Director, NED and IND: Non-Executive Director and Independent Director.*

 # Excludes Directorships in Private and Foreign Companies.

@ In accordance with Regulation 26(1) of LODR Regulations, Membership/Chairmanship of Audit Committee and Stakeholders Relationship Committee in all Companies (excluding Smartlink Holdings Limited) have been considered.

+Mr. Bhanubhai Patel retired from the post of Non- Executive, Independent Director on September 08, 2024.

$ Mr. Nitin Kunkolienker was appointed as Non-Executive, Independent Director w.e.f February 10, 2025.

^ Mr. Chandrashekhar Gaonkar was appointed as Non-Executive, Independent Director w.e.f. May 09, 2024.

c) The Company held 4 Board Meetings during the Financial Year ("FY") 2024-25 dated May 09, 2024, August 10, 2024, November 07, 2024 and February 10, 2025, and the maximum time gap between two board meetings was less than 120 days. The necessary quorum was present for all the meetings. The agenda and other related papers were being circulated to the Directors in advance to enable them to take informed decisions. The minutes of the meetings of all the Board and Committees were circulated to all the Directors and are finalized incorporating the comments of the Directors.

During the FY 2024-25, information as mentioned in Part A of Schedule II of the LODR Regulations, has been placed before the Board for its consideration.

d) During the FY 2024-25, one meeting of the Independent Directors was held on May 09, 2024. The Independent Directors, interalia, reviewed the performance of Non-Independent Directors, Board as a whole and Executive Chairman of the Company.

e) There is no pecuniary or business relationship between the Non-Executive, Independent Directors and the Company, except for the payment of sitting fees for attending Board and Committee Meetings in accordance with the applicable laws. A declaration to this effect is also submitted by all the Directors at the beginning of each financial year.

f) Details of Equity shares of the Company held by the Directors as on March 31, 2025 are given below:

Name	Category	Number of equity shares
Mr. K. R. Naik	Executive Chairman	49,50,783
Ms. Arati Naik	Executive Director	9,34,833
Mr. Satish Godbole	Non-Executive, Independent Director	25
Mr. C.M. Gaonkar	Non-Executive, Independent Director	5
Dr. Lakshana Sharma	Non-Executive, Non-Independent Director	7,94,608

g) Details of Familiarization Programme for Independent Directors

At the time of appointment of an Independent Director, a formal letter of appointment is given to him/her, which inter alia explains the role, function, duties and responsibilities expected of him/her as a Director of the Company. The Director is also explained in detail the compliances required from him under the Act, Regulation 25 of LODR Regulations and other relevant Regulations and his/her affirmation is taken with respect to the same.

The Company has adopted the familiarization programme for Independent Directors the details of which are uploaded on the website of the Company at https://www.smartlinkholdings.com/wp-content/uploads/2023/02/Smartlink-Independent-Directors-Familiarization-Programme.pdf

h) Key Board qualifications, expertise, competence and attributes

The Smartlink Board comprises of qualified members who bring in the required skills, competence and expertise that allows them to make effective contributions to the Board and its committees. The Board members are committed to ensure that the Smartlink Board is in compliance with the highest standards of Corporate Governance.

The Board has identified the following skills / expertise / competencies fundamental for effective functioning of the Company which are currently available with the Board:

Name of the Director	Financial	Strategic Planning	Corporate Governance	Leadership Operational Experience
Mr. K. R Naik	✓	✓	✓	✓
Ms. Arati Naik	✓	✓	✓	✓
Mr. Pradeep Rane	✓	✓	✓	✓
Mr. Satish Godbole	✓	✓	✓	✓
Mr. C.M. Gaonkar	✓	✓	✓	✓
Dr. Lakshana Sharma	–	–	✓	✓
Mr. Nitin Kunkolienker	✓	✓	✓	✓

i) Confirmation as regards Independence of Independent Directors

The Independent Directors have also confirmed that they have complied with the Code for Independent Directors prescribed under Schedule IV of the Act. In the opinion of the Board, the Independent Directors fulfil the conditions of independence specified under Section 149(6) of the Act and Regulation 16(1) (b) of the LODR Regulations, and are independent of the management. During the year under review, there is no resignation of an independent director before the expiry of tenure.

3. AUDIT COMMITTEE

a) Composition and attendance of members of Audit Committee at the meetings held during the year

With a view to have better governance and accountability, the Board has constituted an Audit Committee in line with the provisions of Regulation 18 of LODR Regulations and Section 177 of the Act.

As of March 31, 2025, the Committee consisted of three Independent Directors. The composition of audit committee and particulars of attendance by the members at the meetings of the Committee held in FY 2024-25 are given below:

Names	Category of Director	No. of meetings attended
Mr. Satish Godbole – Chairman	Non-Executive, Independent	4
Mr. Pradeep Rane	Non-Executive, Independent	4
Mr. C.M. Gaonkar*	Non-Executive, Independent	2
Mr. Bhanubhai Patel^	Non-Executive, Independent	2

^Mr. Bhanubhai Patel retired from the post of Non- Executive, Independent Director on September 08, 2024.

**Mr. C.M. Gaonkar was appointed as member of the committee with effect from August 10, 2024.*

b) Meetings during the year

Four Audit Committee meetings were held during the year under review and the gap between two meetings did not exceed 120 days. The Audit Committee meetings were held on May 09, 2024, August 10, 2024, November 07, 2024 and February 10, 2025. Necessary quorum was present at the above meetings. The representatives of the Statutory Auditors and Internal Auditors were invitees to the Audit Committee Meetings. The Company Secretary acts as the Secretary to the Audit Committee.

All the Members of the Audit Committee have requisite qualification for appointment on the Committee and possess sound knowledge of finance, accounting practices and internal controls. All the members of the Committee are financially literate and have expertise in Finance as defined in Regulation 18(1)(c) of the LODR Regulations.

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Audit Committee, as mandatorily required, were accepted by the Board.

The Chairman of the Audit Committee was present at the AGM of the Company held on August 10, 2024 for resolving queries of the shareholders.

c) Brief Description of Terms of reference

A. Terms of Reference

The terms of reference stipulated by the Board to the Audit Committee and as contained under Section 177 of the Act, are as follows:

1. the recommendation for appointment, remuneration and terms of appointment of auditors of the Company;
2. review and monitor the auditor's independence and performance, and effectiveness of audit process;
3. examination of the financial statement and the auditors' report thereon;
4. approval or any subsequent modification of transactions of the company with related parties;
5. scrutiny of inter-corporate loans and investments;
6. valuation of undertakings or assets of the company, wherever it is necessary;
7. evaluation of internal financial controls and risk management systems;
8. monitoring the end use of funds raised through public offers and related matters.

B. Powers of Audit Committee

The Audit Committee shall have powers, which should include the following:

The audit committee shall have powers to investigate any activity within its terms of reference, seek information from any employee, obtain outside legal or other professional advice and secure attendance of outsiders with relevant expertise, if it considers necessary.

C. Role of the Audit Committee and review of information by Audit Committee

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
   i. matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of Section 134 of the Act;
   ii. changes, if any, in accounting policies and practices and reasons for the same;
   iii. major accounting entries involving estimates based on the exercise of judgment by management;
   iv. significant adjustments made in the financial statements arising out of audit findings;
   v. compliance with listing and other legal requirements relating to financial statements;
   vi. disclosure of any related party transactions;
   vii. modified opinion(s) in the draft audit report;

5. reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. approval or any subsequent modification of transactions of the listed entity with related parties;
9. scrutiny of inter-corporate loans and investments;
10. valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. evaluation of internal financial controls and risk management systems;
12. reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. discussion with internal auditors of any significant findings and follow up there on;
15. reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. to look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. to review the functioning of the whistle blower mechanism;
19. approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.
22. Consider and comment on rationale, cost-benefits and impact of schemes involving merger, demerger, amalgamation etc., on the listed entity and its shareholders.

D. The Audit Committee shall review the following information:

1. management discussion and analysis of financial condition and results of operations;
2. management letters / letters of internal control weaknesses issued by the statutory auditors;
3. internal audit reports relating to internal control weaknesses; and
4. the appointment, removal and terms of remuneration of the chief internal auditor shall be subject to review by the audit committee.
5. statement of deviations:
   a. Quarterly statement of deviation(s) including report of monitoring agency, if applicable, submitted to stock exchange(s) in terms of Regulation 32(1) of LODR Regulations.
   b. Annual statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice in terms of Regulation 32(7) of LODR Regulations.

4. NOMINATION AND REMUNERATION COMMITTEE

The Company has constituted a Nomination and Remuneration Committee (NRC), as required under section 178 of the Act, read with Rule 6 of the Companies (Meetings of Board and its Powers) Rules, 2014 and Regulation 19 of LODR Regulations.

a) Composition and attendance of members of Nomination and Remuneration Committee at the Meetings held during the year

As on March 31, 2025, the NRC consisted of Three Independent, Non-Executive Directors.

The composition of the Committee (including changes during the year) and particulars of attendance by the members at the meetings of the Committee held in FY 2024-25 are given below:

Members	Category of Director	No. of Meetings Attended
Mr. Pradeep Rane – Chairman	Non-Executive, Independent	3
Mr. Satish Godbole	Non-Executive, Independent	3
Mr. C.M. Gaonkar*	Non-Executive, Independent	1
Mr. Bhanubhai Patel^	Non-Executive, Independent	2

^Mr. Bhanubhai Patel retired from the post of Non- Executive, Independent Director on September 08, 2024.
**Mr. C.M. Gaonkar was appointed as member of the committee with effect from August 10, 2024.*

The Chairman of NRC was present for the AGM of the Company held on August 10, 2024 for resolving queries of the shareholders.

b) Meetings during the year

During the FY 2024-25, three Committee meetings of Nomination and Remuneration were held on May 09, 2024, August 10, 2024 and February 10, 2025.

The minutes of the meetings of the Committee are placed before and noted by the Board. During the year, all recommendations of the Committee, as mandatorily required, were accepted by the Board.

c) Brief Description of Terms of Reference

Following are terms of reference of the Nomination and Remuneration Committee as contained under LODR Regulations.

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the Board a policy, relating to the remuneration of the Directors, Key Managerial Personnel and other employees;
2. Formulation of criteria for evaluation of Independent Directors and the Board;
3. Devising a policy on Board diversity;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down and recommend to the Board their appointment and removal;
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

d) Performance Evaluation criteria for Independent Directors

Pursuant to the provisions contained in the Companies Act, 2013 and Schedule IV (Section 149(8)) of the Act, and Regulation 17 (10) of the LODR Regulations, the Annual performance evaluation has been carried out of all the Directors, the Board, Chairman of the Board and the working of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee.

The performance evaluation of the Board of Directors was carried out based on the detailed questionnaire containing criteria such as duties and responsibilities of the Board, information flow to the Board, time devoted to the meetings, etc. Similarly, the evaluation of Directors was carried out on the basis of questionnaire containing criteria such as level of participation by individual directors, independent judgement by the director, understanding of the Company's business, etc. The performance evaluation of the Board and the Committees, viz. Audit Committee, Nomination and Remuneration Committee and Stakeholders' Relationship Committee was done by all the Directors. The performance evaluation of the Independent Directors was carried out by the Board excluding the Director being evaluated. The performance evaluation of the Chairman and Executive Directors was carried out by all the Independent Directors. Based on the feedback received from the Directors, the Board was of the opinion that the individual performance of the Independent Directors was effective for the FY 2024-25.

e) Nomination and Remuneration Policy

1. The Company has formulated the Nomination and Remuneration Policy to lay down criteria and terms and condition with regards to identifying persons who are qualified to become Directors (Executive and Non-Executive) and persons who are qualified to be appointed in Senior Management and Key Managerial Positions and to determine their remuneration;
2. To carry out evaluation of the performance of Directors' as well as Key Managerial and Senior Managerial Personnel;
3. Devising a policy on Board diversity.

f) Remuneration paid to Directors

1. Executive Directors

Executive Director	Salary, Contribution to P.F, Perquisites & Commission
Mr. Kamalaksha Naik – Executive Chairman	Nil
Ms. Arati Naik – Executive Director	Nil

Salient features of the Terms of Appointment

Particulars	Mr. Kamalaksha Naik	Ms. Arati Naik
Salary	INR 7,81,250 per month of which 50% will be fixed pay.	INR 1,25,000 per month
Perquisites/ Allowances	None	HRA of INR 62,500 per month and other allowances not exceeding INR 60,700 per month
Commission	Nil	Nil
Variable / Performance Pay	Variable Pay/Performance Bonus shall be 50% of the consolidated remuneration.	Nil
Terms of Appointment	Re-appointed for a period of five years with effect from December 26, 2024	Appointed for a period of Five years with effect from April 01, 2022
Notice Period	Either party may terminate the appointment by giving the other party two months' notice in writing.	Either party may terminate the appointment by giving 2 months' notice in writing.
Severance Fees	None	None

2. **Non-Executive Directors**

In accordance with the resolution passed at the AGM held on December 11, 2020 the shareholders approved the payment of commission not exceeding 1% of the net profits of the Company to Non-Executive Directors. The Company has not paid any commission during the current year.

3. **Details of sitting fees paid/to be paid to the Non-Executive Independent Directors for the period under review**

The Non-Executive Directors are entitled to sitting fees for attending the Board/Committee Meetings. Apart from sitting fees, no payment by way of bonus, commission, pension, incentives etc., is paid to any of the Non-Executive Directors.

The Non-Executive Directors are paid sitting fees at the rate of INR 50,000 for attending each meeting of the Board, Audit Committee, Nomination and Remuneration Committee, and INR 5,000 for Stakeholders Relationship Committee and other board committees.

Details of sitting fees paid to the Non-Executive Directors for the year under review are as under:

Non-Executive Directors	Sitting Fees (INR)
Mr. Pradeep Rane	5,50,000
Mr. Satish Godbole	5,55,000
Mr. Bhanubhai Patel^	3,05,000
Mr. C. M. Gaonkar+	3,00,000
Dr. Lakshana Sharma	1,50,000
Mr. Nitin Kunkolienker*	50,000

^Mr. Bhanubhai Patel retired from the post of Non- Executive, Independent Director on September 08, 2024.

+Mr. C.M. Gaonkar was appointed as Non-Executive, Independent Director w.e.f May 09, 2024.

**Mr. Nitin Kunkolienker was appointed as Non-Executive, Independent Director w.e.f February 10, 2025.*

g) Details of other pecuniary relationship/transactions of Non-Executive Directors vis-à-vis the Company

There were no pecuniary relationship/transactions of Non-Executive Directors/Independent Directors with the Company except for the payment of sitting fees paid to them for attending board and committee meetings in accordance with the applicable laws.

5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

Stakeholders' Relationship Committee (SRC) has been constituted as required under Section 178 (5) of the Act and Regulation 20 of LODR Regulations.

a) Terms of Reference

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.

b) Composition and attendance of members at the Meetings held during the year

As on March 31, 2025, the Stakeholders Relationship Committee comprised of Three Directors comprising Two Independent and One Executive Director.

The composition of the Committee and details of attendance by its members at the meetings of the Committee held in FY 2024-25 are given below:

Members	Category of Director	No. of meetings attended
Mr. Satish Godbole - Chairman	Non-Executive, Independent	1
Mr. Kamalaksha Naik	Executive Chairman	1
Mr. Bhanubhai Patel*	Non-Executive, Independent	1
Mr. C. M. Gaonkar ^	Non-Executive, Independent	NA

** Mr. Bhanubhai Patel retired from the post of Non- Executive, Independent Director on September 08, 2024.*

^ Mr. C.M. Gaonkar was appointed as member of the committee with effect from August 10, 2024.

c) During the year, one meeting of the Stakeholders Relationship Committee was held on May 09, 2024. The minutes of the meetings of the Committee are placed before and noted by the Board.

During the year, all recommendations of the Committee, as mandatorily required, were accepted by the Board.

The Chairman of SRC was present for the AGM of the Company held on August 10, 2024 for resolving queries of the shareholders.

d) Name and Designation of Compliance Officer

Mr. Edlan Fernandes, Company Secretary, is the Compliance Officer for complying with the requirements of the LODR Regulations.

e) Details of investors complaints received and resolved during the FY 2024-25 are as follows:

Opening Balance	Received during the year	Resolved during the year	Closing Balance
NIL	16	16	NIL

6. CORPORATE SOCIAL RESPONSIBILITY (CSR)

The Company has formulated a CSR Policy and the same is displayed on the website of the Company.

The provisions under Section 135(1) of the Act for constitution of the Corporate Social Responsibility Committee was not applicable to the Company and accordingly the functions of the Committee as provided under section 135 of the Act are being discharged by the Board of Directors of the company.

7. RISK MANAGEMENT POLICY

In accordance with the provisions of the Act and LODR Regulations, the Company has formulated a Risk Management Policy. The Board shall from time-to-time monitor and review the said policy.

8. GENERAL BODY MEETING

a) Location and time, where last three AGMs were held

Location	Date	Time
L-7, Verna Industrial Estate, Verna, Salcete, Goa - 403722	August 10, 2024	11:00 a.m.
	August 25, 2023	11.00 a.m.
	September 23, 2022	11.00 a.m.

b) Special Resolutions Passed

1. Special Resolutions passed at the last Annual General Meeting held on August 10, 2024:
    i. Re-appointment of Mr. K.R. Naik as Executive Chairman (Wholetime Director) to hold office for a further term of Five years from December 26, 2024.
2. Special Resolutions passed at the Annual General Meeting held on August 25, 2023:
   There were no special resolutions passed at Annual General Meeting held on August 25, 2023.
3. Special Resolutions passed at the Annual General Meeting held on September 23, 2022:
   There were no special resolutions passed at the Annual General Meeting held on September 23, 2022.

c) Details of Special Resolutions passed through Postal Ballot during the year

1. Appointment of Mr. Satish Vishnu Godbole (DIN 02596364) as a Non-Executive, Independent Director for a term of 5 years from March 31, 2024;
2. Appointment of Mr. Chandrashekhar Maruti Gaonkar (DIN 00002016) as a Non-Executive, Independent Director for a term of 3 years from May 09, 2024;

d) Details of Special Resolutions passed through Postal Ballot during the FY 2025-26

1. Appointment of Mr. Nitin Kunkolienker (DIN 00005211) as a Non-Executive, Independent Director for a term of 5 year from February 10, 2025.

e) Details of Special Resolutions proposed to be conducted through Postal Ballot.

None

9. MEANS OF COMMUNICATION

Quarterly Results	Published in Newspapers
Newspapers in which normally published	Financial Express, The Times of India (in English) and Pudhari (in Marathi)
Any website, where displayed	www.smartlinkholdings.com
Whether it also displays official News releases	None
The presentations made to Institutional Investors or to the Analysts	Not Applicable

10. GENERAL SHAREHOLDER INFORMATION

a) Annual General Meeting

Date : August 13, 2025
Time : 11.00 a.m. IST
Venue : L-7, Verna Industrial Estate, Verna, Salcete, Goa – 403722.

b) Financial Calendar

The Company's financial year begins on April 1st and ends on March 31st every year. For the year ending March 31, 2025, the results will be announced as per the tentative schedules below:

Particulars	Date*
First Quarter Results	On or before August 14, 2025
Second Quarter Results	On or before November 14, 2025
Third Quarter Results	On or before February 14, 2026
Fourth Quarter Results	On or before May 30, 2026

*or as extended by SEBI/MCA from time to time

c) Dates of Book Closure

The register of members and the share transfer register will remain closed from August 01, 2025 to August 07, 2025 (both days inclusive).

d) Dividend payment date

Not Applicable

e) Listing on Stock Exchanges

The shares of the Company are listed on following Stock Exchanges from April 11, 2001.

The listing fees were paid to the stock exchanges.

Name & Address of the Stock Exchanges	Stock Code/ Scrip Code	ISIN Number for NSDL/CDSL (Dematerialised Shares)
BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001	532419	INE178C01020
The National Stock Exchange of India Limited Exchange Plaza, Bandra - Kurla Complex, Bandra (East), Mumbai 400051	SMARTLINK	

f) Trading of securities

The equity shares of the Company are traded on BSE Limited and National Stock Exchange of India Limited. The securities of the Company were not suspended from trading during the year.

g) Registrar and Share Transfer Agents

Kfin Technologies Limited
Unit: Smartlink Holdings Limited
Selenium Tower B, Plot No 31 & 32
Financial District, Nanakramguda,
Serilingampally Mandal,
Hyderabad – 500 032, Telangana
Toll Free No: 1800 309 4001
Fax No. 040-23001153
Email: einward.ris@kfintech.com

h) Share Transfer System

As per Regulation 40 of the LODR Regulations as amended, requests for effecting transfer of securities are not processed unless the securities are held in dematerialized form with a depository.

All transfer, transmission or transposition of securities, are conducted in accordance with the provisions of Regulation 40 and Schedule VII of the LODR Regulations as amended from time to time.

All requests for transfer and/or dematerialisation of securities, should be lodged with the office of the Company's Registrar & Share Transfer Agent, Kfin Technologies Limited, Hyderabad or at the registered office of the Company.

Securities lodged for transfers at the Registrar's address are normally processed within 15 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of securities are processed and the confirmation is given to the depositories within 15 days. The Executives of the Registrar are empowered to approve transfer of shares and debentures and other investor related matters. Grievances received from investors and other miscellaneous correspondence on change of address, mandates, etc. are processed by the Registrars within 15 days.

i) Distribution of Shareholding as on March 31, 2025

Sr. No.	Category (Shares) From – To	Number of Shareholders	No. of Shares	% to Equity Capital
1.	1-500	11,032	8,94,683	93.45
2.	501-1000	380	2,98,017	3.22
3.	1001-2000	214	3,14,716	1.81
4.	2001-3000	56	1,40,973	0.47
5.	3001-4000	22	78,612	0.19
6.	4001-5000	29	1,37,321	0.25
7.	5001-10000	41	3,12,834	0.35
8.	10001 and above	31	77,97,844	0.26
	Total	**11,805**	**99,75,000**	**100**

Note: Folios are not consolidated based on PAN

j) Shareholding Pattern as on March 31, 2025

Sr. No.	Category of Shareholders	Total Holdings	Holdings in %
1.	Promoter and Promoter Group	72,66,025	72.84
2.	Financial Institutions / Banks/ Trusts	0	0.00
3.	Bodies Corporate	1,97,328	1.98
4.	Foreign Portfolio Investors	29,011	0.29
5.	Individuals	22,34,849	22.41
6.	Clearing Members	57	0.00
7.	NRI's	80,074	0.80
8.	NBFC	0	0.00
9.	IEPF account	47,319	0.47
10.	HUF	1,20,337	1.21
	TOTAL	**99,75,000**	**100**

k) Dematerialization of Shares and Liquidity

The total number of shares in dematerialized form as on March 31, 2025 is 99,69,496 representing 99.94% of the total number of shares of the Company.

l) Global Depository Receipts (GDR) or any Convertible instruments, conversion dates and likely impact on Equity

Not Applicable

m) Commodity price risk or foreign exchange risk and hedging activities

As the Company is not engaged in business of commodities which are traded in recognized commodity exchanges, commodity risk is not applicable. Foreign Currency Exchange risk is hedged in accordance with the Policy formulated by the Company for that purpose and periodical update is given to the Board on the same.

n) Plant Location

Plot No. L-5, Verna Industrial Estate, Verna, Salcete Goa 403722.

o) Address for Correspondence

Shareholders Correspondence should be addressed to:

The Company Secretary, Smartlink Holdings Limited L-7, Verna Industrial Estate, Verna, Salcete, Goa- 403 722, India Phone No: 0832-2885400/401 Fax No: 0832-2783395 Email: Company.Secretary@smartlinkholdings.com	Kfin Technologies Limited Unit: Smartlink Holdings Limited Selenium Tower B, Plot No 31 & 32, Financial District, Nanakramguda, Serilingampally Mandal, Hyderabad – 500 032, Telangana Toll Free No: 1800 309 4001 Fax No. 040-23001153 Email: einward.ris@kfintech.com

p) Credit Rating

During the financial year, the Company was not required to obtain credit ratings.

11. DISCLOSURES

a) No transaction of material nature has been entered into by the Company with its Promoters, Directors or the Management, their subsidiaries or relatives, etc., that may have potential conflict with the interests of the Company. All transactions entered by the Company with its related parties during the FY 2024-25 were in ordinary course of business and on an arm's length basis. The disclosure of material related party transactions u/s 188 of the Companies Act, 2013 and as per Regulation 23 of LODR Regulations, in Form AOC-2 is enclosed as 'Annexure-I' to the Board's Report;

b) No strictures or penalties have been imposed on the Company by the Stock Exchanges or by the Securities and Exchange Board of India (SEBI) or by any other statutory authority on any matters related to capital markets during the last three years;

c) The Company has adopted a Whistle Blower Policy and has established the necessary Vigil Mechanism for employees and directors to report concerns about unethical behavior. No person has been denied access to the Chairman of the Audit Committee;

d) The Company has complied with all mandatory requirements as stated in the LODR Regulations;

e) The Company has formulated a policy for determining Material Subsidiaries and the Policy is disclosed on the Company's website https://www.smartlinkholdings.com/wp-content/uploads/2020/03/Subsidiary-Policy-2019-amended.pdf

f) The related party policy is disclosed on the website of the Company at https://www.smartlinkholdings.com/wp-content/uploads/2021/05/Related-Party-Transactions-Policy-Smartlink-2021.pdf

g) Details of foreign currency exposure and hedging – Details of foreign currency exposure and hedging are disclosed in note No. 50 to the standalone financial statements;

h) The Company has not raised any funds through preferential allotment or qualified institutions placements as specified under Regulation 32(7A) of LODR Regulations.

i) The Company had obtained a certificate from a Company Secretary in Practice that none of the directors on the board of the Company have been debarred or disqualified from being appointed or continuing as directors of Company by the Board/ Ministry of Corporate Affairs or any such statutory authority as at March 31, 2025. The Certificate forms part of this report;

j) There are no instances where the board had not accepted any recommendations of any committees of the board which is mandatorily required, for the financial year ended March 31, 2025;

k) M/s Shridhar & Associates, Chartered Accountants (Firm Registration No. 134427W) have been appointed as the Statutory Auditors of the Company. The particulars of payment of Statutory Auditors fees on consolidated basis is given in note No. 37 of the Consolidated Financial Statement;

l) Disclosures in relation to the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013:
   i. Number of complaints filed during the financial year – Nil;
   ii. Number of complaints disposed off during the financial year – Nil;
   iii. Number of complaints pending as at end of the financial year – Nil.

m) Loans and advances given by the Company and its subsidiaries in the nature of loans to firms/companies in which directors are interested by name and amount: NIL during the year ended March 31, 2025.

n) Details of material subsidiary of the listed entity; including the date and place of incorporation and the name and date of appointment of the statutory auditors of such subsidiary.

Name of Material Subsidiary	Date of Incorporation	Place of Incorporation	Name of Statutory Auditors	Date of Appointment/ Reappointment
Digisol Systems Limited	17/08/2016	Verna Goa	MSKA & Associates	Reappointment on 25-08-2023 for second term of 5 years

o) There is no non-compliance of any requirement of Schedule V(C) (2) to (10) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015;

p) Disclosure of certain types of agreements binding listed entities as per clause 5A of paragraph A of Part A of Schedule III of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 - Not Applicable

q) Smartlink Senior Management FY 2024-25:

   The company has designated Senior Management as per the applicable LODR Regulations.

   During the year under review, Ms. Urjita Damle resigned from the post of Company Secretary and Compliance Officer (Senior Management) and Mr. Edlan Fernandes was appointed as Company Secretary and Compliance Officer (Senior Management).

r) Compliance with Non-Mandatory Requirements
   i. The Board of Directors:

      The Company has an Executive Chairman. No separate office is maintained for Non-Executive Chairperson and the expenses incurred during performance of duties are reimbursed.

   ii. Shareholder's Right:

      The Company does not send half yearly declaration of financial performance to its shareholders. The financial results are displayed on the Company's website.

   iii. Modified opinion in audit reports:

      During the year under review, there were no audit qualifications on the Company's financial statements.

   iv. Reporting of Internal Auditor

      The Company has appointed Marathe Rao & Swarup, Chartered Accountants as the Internal Auditor of the Company for reviewing the internal control system operating in the Company. The Internal Auditor reports directly to the Audit Committee.

s) The Company has complied with all the mandatory requirements as stated in Regulation 72 of LODR Regulations and Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of LODR Regulations, as applicable, with regards to Corporate Governance;

t) Disclosure with respect to Demat Suspense Account / Unclaimed suspense account:

   There were no shares in the Demat suspense account or unclaimed suspense account during the FY 2024-25.

Annexure-E

Corporate Governance Compliance Certificate under SEBI LODR

CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE REQUIRED UNDER THE SECURITIES AND EXCHANGE BOARD OF INDIA (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015 BY SMARTLINK HOLDINGS LIMITED.

To the members of **SMARTLINK HOLDINGS LIMITED**

I have examined the compliance with conditions of Corporate Governance by **SMARTLINK HOLDINGS LIMITED** (the Company) under the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, ("LODR Regulations") for the year ended 31st March 2025.

In my opinion and to the best of my information and according to the explanations given to me, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the LODR Regulations. This Certificate is issued pursuant to the requirements of Schedule V (E) of the LODR Regulations.

The compliance with conditions of Corporate Governance is the responsibility of the management of the Company. My examination was limited to procedures adopted and implementation thereof, by the Company for ensuring compliance with the condition of Corporate Governance under LODR Regulations. The examination is neither an audit nor an expression of opinion on the financial statements of the Company.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficacy or effectiveness with which the management has conducted the affairs of the company.

Shivaram Bhat

Place : Panaji, Goa
Date : May 9, 2025

Practicing Company Secretary
ACS10454 **CP**7853 **PR** 1775/2022
UDIN: A010454G000305738

Annexure - F

STATEMENT OF PARTICULARS AS PER RULE 5 OF COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014

I. The ratio of the remuneration of each Director to the median remuneration of the employees of the company for the financial year;

II. The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year;

Sr. No.	Name of the Director/Key Managerial Personnel	Ratio of the remuneration to the median remuneration of the employees	Percentage increase in remuneration
1.	Mr. Kamalaksha Naik - Executive Chairman & Promoter	NA	NA
2.	Ms. Arati Naik - Executive Director & Promoter	NA	NA
3.	Mr. Pradeep Rane - Independent Director	Nil	Nil
4.	Mr. Satish Godbole - Independent Director	Nil	Nil
5.	Mr. Chandrashekhar Gaonkar - Independent Director	Nil	Nil
6.	Dr. Lakshana Sharma - Non-Executive Director & Promoter	NA	Nil
7.	Mr. Nitin Kunkolienker - Independent Director	Nil	Nil
8.	Mr. K. G. Prabhu - Chief Financial Officer	NA	2.46%
9.	Mr. Edlan Fernandes - Company Secretary	NA	NA

Notes:

- Mr. Satish Godbole, Mr. Chandrashekhar Gaonkar, Mr. Pradeep Rane, Dr. Lakshana Sharma and Mr. Nitin Kunkolienker were paid sitting fees for attending the Meetings.
- There was no Remuneration paid to Mr. Kamalaksha Naik, Executive Chairman and Ms. Arati Naik, Executive Director during the Financial year ended March 31, 2025 as well as for the previous financial year.
- Mr. Chandrashekhar Gaonkar and Mr. Nitin Kunkolienker were appointed as Directors of the Company w.e.f. May 09, 2024 and February 10, 2025 respectively.
- Mr. Edlan Fernandes was appointed as Company Secretary of the Company with effect from August 12, 2024.

III. The percentage increase in the median remuneration of employees in the FY 2024-25 is 13.27%;

IV. The number of permanent employees on the rolls of Company as on March 31, 2025 were 96;

V. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:

Increase in Managerial remuneration is in line with increase in the remuneration paid to the other employees of the Company. Average percentile change in the salaries of employees other than Managerial Personnel is 17.11%;

VI. Affirmation that the remuneration is as per the remuneration policy of the Company.

The Directors affirm that the remuneration is as per the remuneration policy of the Company.

Annexure-G

Format for the Annual Report on CSR Activities to be Included in the Board's Report

1. Brief outline on CSR Policy of the Company.

   CSR policies are to actively contribute to the social and economic development of the Country. In so doing build a better, sustainable way of life, to contribute effectively towards inclusive growth and raise the Country's human development index.

   The CSR policy of Smartlink Holdings Limited aims to contribute towards sustainable development of the society and environment and to make the planet a better place for future generations. The philosophy of CSR is imbibed in our business activities and social initiatives taken in the area of heath, sanitation, drinking water, education, environment, animals and infrastructure, etc.

   Our projects focus on education, healthcare, relief to the families in case of natural calamities, animal welfare and social reforms. The activities enlisted in our CSR Policy are carried out by the company either individually or in association with eligible Implementing Agencies registered with the Ministry of Corporate Affairs.

   The Company has formulated a CSR Policy and the same is displayed on the website of the Company at: https://www.smartlinkholdings.com/wp-content/uploads/2022/10/Smartlink-Corporate-Social-Responsibility-Policy.pdf

2. Composition of CSR Committee:

   Since the amount to be spent by the company under section 135(5) does not exceed fifty lakh rupees, the requirement under section 135(1) for constitution of the Corporate Social Responsibility Committee is not applicable to the Company. The functions of the Committee provided under section 135 are being discharged by the Board of Directors of the company.

3. Provide the web-link where Composition of CSR committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the company

   CSR Policy weblink: https://www.smartlinkholdings.com/wp-content/uploads/2022/10/Smartlink-Corporate-Social-Responsibility-Policy.pdf

4. Provide the executive summary along with web-link(s) of Impact Assessment of CSR Projects carried out in pursuance of sub-rule (3) of rule 8, if applicable: Not applicable

5. (a) Average net profit of the company as per sub-section (5) of section 135.

   152.87 Lakhs

   (b) Two percent of average net profit of the company as per sub-section (5) of section 135.

   Not Applicable

   (c) Surplus arising out of the CSR Projects or programmes or activities of the previous financial years.

   Not Applicable

   (d) Amount required to be set-off for the financial year, if any.

   Not Applicable

   (e) Total CSR obligation for the financial year [(b)+(c)-(d)].

   NIL

6. (a) Amount spent on CSR Projects (both Ongoing Project and other than Ongoing Project).

   NIL

   (b) Amount spent in Administrative Overheads.

   NIL

   (c) Amount spent on Impact Assessment, if applicable.

   NIL

   (d) Total amount spent for the Financial Year [(a)+(b)+(c)].

   NIL

(e) CSR amount spent or unspent in Financial Year

Total Amount Spent for the Financial Year (in INR Lakhs)	Amount Unspent (in INR Lakhs)				
	Total Amount transferred to Unspent CSR Account as per subsection (6) of section 135		Amount transferred to any fund specified under Schedule VII as per second proviso to sub-section (5) of section 135		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
NIL	NIL	NA	NA	NIL	NA

(f) Excess amount for set-off, if any:

Sl. No.	Particulars	Amount
(1)	**(2)**	**(3)**
(i)	Two percent of average net profit of the company as per sub-section (5) of section 135	NA
(ii)	Total CSR obligation for the financial year	
(iii)	Total amount spent for the Financial Year	
(iv)	Excess amount spent for the Financial Year [(iii)-(ii)]	
(v)	Surplus arising out of the CSR projects or programmes or activities of the previous Financial Years, if any	
(vi)	Amount available for set off in succeeding Financial Years [(iii)-(ii)]	

7. Details of Unspent Corporate Social Responsibility amount for the preceding three Financial Years:

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sl. No.	Preceding Financial Year	Amount transferred to Unspent CSR Account under subsection (6) of section 135 (in INR)	Balance Amount in Unspent CSR Account under subsection (6) of section 135 (in INR)	Amount Spent in the Financial Year (in INR)	Amount transferred to a Fund as specified under Schedule VII as per second proviso to subsection (5) of section 135, if any	Amount remaining to be spent in succeeding Financial Years (in INR)	Deficiency, if any
					Amount (in INR)	Date of Transfer	
NA	NA	NIL	NIL	NIL	NIL	NA	NA

8. Whether any capital assets have been created or acquired through Corporate Social Responsibility amount spent in the Financial Year: No

9. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per subsection (5) of section 135 – Not applicable

K. R. Naik
Executive Chairman

Place: Mumbai
Date : May 09, 2025

FORM AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of Subsidiaries/Associate Companies/Joint Ventures

Part “A”: Subsidiaries

(in INR Lakhs)

Sr. No	Particulars	Details
1	Name of the subsidiary	Digisol Systems Limited
2	The date since when subsidiary was acquired	August 17, 2016
3	Reporting period for the subsidiary concerned, if different from the holding company’s reporting period	N.A.
4	Reporting currency and Exchange rate as on the last date of the relevant financial year in the case of foreign subsidiaries	N.A.
5	Share capital	429.60
6	Reserves & surplus	2,532.79
7	Total assets	9,226.56
8	Total Liabilities	6,264.17
9	Investments	--
10	Turnover	19,383.46
11	Profit/Loss before taxation	621.70
12	Provision for taxation	(161.80)
13	Profit/Loss after taxation	459.90
14	Other comprehensive income	(20.73)
15	Total Comprehensive Income for the year	439.17
16	Proposed Dividend	--
17	Extent of shareholding (In percentage)	100

Note: 1. there are no other subsidiaries of the Company

Part “B”: Associates and Joint Ventures

Statement pursuant to Section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures.

Not Applicable

For and on behalf of the Board

K. R. Naik
Executive Chairman
DIN: 00002013

Place : Mumbai
Date : May 09, 2025

Annexure - I

FORM NO. AOC-2

(Pursuant to clause(h) of Sub Section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

Form for disclosure of particulars of contracts or arrangements entered into by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto:

1. Details of contract or arrangements or transactions not at arm's length basis: Smartlink Holdings Limited ('the Company') has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business or at arm's length during the financial year 2024-25. The Company has laid down policies and processes/procedures so as to ensure compliance to the subject section in the Companies Act, 2013 ("Act") and the corresponding Rules. In addition, the process goes through internal and external checking, followed by quarterly reporting to the Audit Committee.
   a. Name(s) of the related party and nature of relationship: Not Applicable
   b. Nature of contracts/arrangements/transactions: Not Applicable
   c. Duration of the contracts/arrangements/transactions: Not Applicable
   d. Salient terms of the contracts or arrangements or transactions including the value, if any: Not Applicable
   e. Justification for entering into such contracts or arrangements or transactions: Not Applicable
   f. Date(s) of approval by the Board: Not Applicable
   g. Amount paid as advances, if any: Not Applicable
   h. Date on which the special resolution was passed in general meeting as required under first proviso to section 188: Not Applicable
2. Details of material contracts or arrangement or transactions at arm's length basis:

Sr. No.	Name of the related parties	Nature of Contracts/ Arrangements	Duration of Contracts/ Arrangements/ transactions	Salient terms of contracts/ arrangements/ transactions	Dates of Approval of Board if any	Amount paid as advances if any
1.	Digisol Systems Limited- Wholly Owned Subsidiary	Sale of Manufactured Products	Ongoing	The transactions are in the ordinary course of Business and at arm's length. For value and other details refer note no. 46 of the Standalone Financial Statements	Not Applicable - Transaction between Holding Company and Wholly owned Subsidiary.	Nil

For SMARTLINK HOLDINGS LIMITED

K. R. Naik
Executive Chairman
DIN: 00002013

Place: Mumbai
Date : May 09, 2025

Certificate of Non-Disqualification of Directors

(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015)

To,

The Members of
SMARTLINK HOLDINGS LIMITED
L-7, Verna Industrial Estate, Verna,
Salcete, Goa-403722

I have examined the relevant registers, records, forms, returns and disclosures received from Directors of SMARTLINK HOLDINGS LIMITED having CIN L67100GA1993PLC001341 and having registered office at L-7, Verna Industrial Estate, Verna, Salcete, Goa-403722 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on 31st March, 2025 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority:

Sr. No.	Name of Director	DIN	Date of Appointment in Company
1	KAMALAKSHA RAMA NAIK	00002013	31/03/1993
2	PRADEEP ANANT RANE	01446215	26/12/2006
3	ARATI KAMALAKSHA NAIK	06965985	14/08/2015
4	SATISH VISHNU GODBOLE	02596364	31/03/2024
5	LAKSHANA AMIT SHARMA	10525082	31/03/2024
6	CHANDRASHEKHAR MARUTI GAONKAR	00002016	09/05/2024
7	NITIN ANANT KUNKOLIENKER	00005211	10/02/2025

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Shivaram Bhat

Place : Panaji, Goa
Date : May 9, 2025

Practicing Company Secretary
ACS 10454**, CP** 7853**, PR** 1775/2022
UDIN: A010454G000305694

Declaration by Executive Chairman

[Regulation 34(3) read with Schedule V (Part D)
of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, K. R. Naik, Executive Chairman of Smartlink Holdings Limited, hereby declare that the Company has in respect of the financial year ended March 31, 2025, received from all the members of the Senior Management of the Company and of the Board, a declaration for compliance with the code of conduct of the Company as provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

For Smartlink Holdings Limited

K. R. Naik
Executive Chairman
DIN: 00002013

Place : Mumbai
Date : May 09, 2025

Independent Auditor's Report

TO THE MEMBERS OF SMARTLINK HOLDINGS LIMITED
Report on the Audit of the Standalone Financial Statements

Opinion

We have audited the standalone financial statements of Smartlink Holdings Limited ("the Company"), which comprise the Balance Sheet as at March We have audited the standalone financial statements of Smartlink Holdings Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2025, and the Statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the standalone financial statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as the "Standalone Financial Statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 ("the Act') in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2025, and profit (financial performance including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Emphasis of Matter

We draw attention to Note 39 to the Statement, which describes the merger of wholly owned subsidiary, Synegra EMS Limited ("Synegra") with the Smartlink Holdings Limited ("the Company"), pursuant to the Scheme of Amalgamation ("the Scheme") sanctioned by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 09, 2025. As per the requirement of Appendix C of Ind AS 103 – Business Combinations, the accounting treatment for the merger has been given effect retrospectively from the beginning of the preceding period presented, i.e., April 1, 2023. The difference between the value of net assets and reserves and surplus of Synegra transferred to the Company has been adjusted against the capital reserves account of the Company, in accordance with the 'Scheme'. Consequently, the comparative figures for the year ended March 31, 2024, have been restated to reflect the impact of the merger.

The comparative financial information of the Synegra for the year ended March 31, 2024 prepared prior to effective date of business combination referred to in Note 39 of the Statement were audited by the predecessor auditor. The adjustment made to the previously issued financial information to company with the Ind AS 103 - Business Combinations have been reviewed by us.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements for the year ended March 31, 2025 (current period). These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Valuation of Investments in Bonds and Mutual Funds

Refer Note 8 & 13 to the Standalone Financial Statements.

As at March 2025, the Company has investments of Rs. 9,155.83 Lakhs in mutual funds and bonds which constitutes about 42.62% of the total assets of the company. During the year, the Company has recognised Rs. 427.67 Lakhs as fair value gain in the statement of Profit and Loss as per the requirements of Ind AS 109 "Financial Instruments".

Due to significance of amount involved, we have considered this as Key Audit Matter.

Our audit procedures to assess the Valuation of Investment in Bonds and Mutual Funds included the following: -

- Obtained an understanding and assessed the design, implementation and testing of the operating effectiveness of internal controls over the existence, valuation and classification, in mutual funds and bonds.
- Verified the demat account and statement of holdings to confirm the existence and accuracy of Bonds as at March 31, 2025.
- Verified the confirmations from Fund Houses and statements of holdings to confirm existence and accuracy of investments in mutual funds as on March 31, 2025.
- In respect of investments in mutual funds which are fair valued through profit or loss, performed independent price checks based on confirmation and statement of Net Asset Value (NAV) from mutual funds houses.
- In respect of investments in bonds which are valued at amortised cost, verified the deal sheets and computation of interest accrued.
- Evaluated the basis of classification of investments into the various categories of financial instruments.
- Verified the completeness and accuracy of the disclosures.

2. Revenue Recognition from Networking Products

Refer the disclosure related to Revenue recognition in Note 30 to the accompanying standalone financial statements.

Revenue from sale and servicing of networking products is recognised net of returns and trade discounts. The Group recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue from Contract with Customers ('Ind AS 115'). The terms set out in the Group's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition from networking products as a Key Audit Matter because Ind AS 115 involved assessing if distinct performance obligations exists under each type of the contracts and ensuring that the revenue is recognised in the appropriate period in which contractual obligation is satisfied.

Our audit procedures to assess the recognition of revenue from Networking Products included the following:

- Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over identification of the contractual obligation existence, accuracy and timing of revenue recognition.
- Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- Performed substantive transactional testing on test check basis.
- Performed substantive analytical procedures considering the revenue trends of the previous years and the relationship between revenue and other financial statement line items.
- Reconciled the revenue with sales register.
- Performed cut-off testing to validate the timing of revenue recognition determined by management.
- Verified the completeness and accuracy of the disclosures.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the other information. The other information comprises the information included in the Director's Report but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Board of Directors is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company has internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of current period and are therefore, the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2020 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.

   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books except for the matters stated in the paragraph 2(h)(vi) below on reporting under Rule 11(g).

   (c) The Standalone Balance Sheet, the Standalone Statement of Profit and Loss (including Other Comprehensive Income), the Standalone Statement of Changes in Equity and the Standalone Statement of Cash Flow dealt with by this Report are in agreement with the books of account.

   (d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Companies (Indian Accounting Standard) Rules, 2015, as amended.

   (e) On the basis of the written representations received from the directors as on March 31, 2025 taken on record by the Board of Directors, none of the directors are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.

   (f) The representation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 2(b) above on reporting under Section 143(3)(b) and paragraph 2(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.

   (g) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B". Our report express an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial control with reference to Standalone Financial Statements.

   (h) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

      i. The Company have disclosed the impact of pending litigations on its financial position in the standalone financial statements as at March 31, 2025 (refer note 41 to the standalone financial statements).

      ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund.

      iv. (1) The Management has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Company to or in any other person(s) or entity(ies), including foreign entities ("Intermediaries"), with the understanding, whether recorded in writing or otherwise, that the Intermediary shall, directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (2) The Management has represented, that, to the best of it's knowledge and belief, no funds have been received by the Company from any person(s) or entity(ies), including foreign entities (Funding Parties), with the understanding, whether recorded in writing or otherwise, as on the date of this audit report, that the Company shall, directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

      (3) Based on the audit procedures performed that have been considered reasonable and appropriate in the circumstances, and according to the information and explanations provided to us by the Management in this regard nothing has come to our notice that has caused us to believe that the representations under sub-clause (i) and (ii) of Rule 11(e) as provided under (1) and (2) above, contain any material mis-statement.

      v. The Company has neither declared nor paid any dividend during the year.

      vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes.

      Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

      The Company has also used another accounting software for maintaining its payroll records which is managed and maintained by a third-party software service provider. Our reporting on audit trail in respect of this software is basis the review of the independent service auditors report. The software has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software. Further, there has not been any instance of audit trail feature being tampered with and the audit trail of prior year has been preserved by the service provider as per the statutory requirements for record retention.

      Refer Note 71 of the financial statements.
3. In our opinion, according to information, explanations given to us, the remuneration for the year ended March 31, 2025 paid by the Company to its directors is within the limits laid prescribed under Section 197 of the Act read with Schedule V to the Act.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 25120593BMHZKC6718

Place : Mumbai
Date : May 9, 2025

Annexure A to the Independent Auditor's Report OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report on even date to Member of Smartlink Holding Limited on the Standalone Financial Statements for the year ended March 31, 2025]

i. (a) A. The company has maintained proper records showing full particulars including quantitative details and situation of Property, Plant and Equipment ("PPE") and relevant details of right to use assets.

B. The Company has maintained proper records showing full particulars of intangible assets.

(b) Property, Plant and Equipment have been physically verified by the management at reasonable intervals during the year which, in our opinion, is reasonable having regards to the size of the Company and nature of its assets. No material discrepancies were identified on such verification.

(c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties (other than properties where the company is the lessee and the lease agreements are duly executed in favour of the lessee) as disclosed in the financial statements are held in the name of the Company.

(d) According to the information and explanations given to us, the Company has not revalued its property, plant and Equipment (including Right of Use assets) and its intangible assets. Accordingly, the requirements under paragraph 3(i)(d) of the Order are not applicable to the Company.

(e) According to the information and explanations given to us, no proceeding has been initiated or pending against the Company for holding benami property under the Benami Transactions (Prohibition) Act, 1988 and rules made thereunder. Accordingly, the provisions stated in paragraph 3(i)(e) of the Order are not applicable to the Company.

ii. (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification, coverage and procedure of such verification is reasonable and appropriate, having regard to the size of the company and the nature of it's operations. The discrepancies noticed on physical verification of inventory as compared to book records were not 10% or more in aggregate for each class of inventory.

(b) During the year the company has been sanctioned working capital limits in excess of Rs. 5 crores in aggregate from Banks and financial institutions on the basis of security of current assets. Based on the records examined by us in the normal course of audit of the financial statements, quarterly returns/statements filed with such Banks/financial institutions are in agreement with the books of accounts of the company.

iii. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the Company has not provided any guarantee or security, granted any loans or advances in the nature of loans, secured or unsecured to any firm or limited liability partnership during the year. The Company has provided guarantee, security and has granted loans and advances in the nature of loans to Companies and other parties during the year, in respect of which the requisite information is as below. The Company has not made any investment in companies, firms, limited liability partnership or other parties during the year:

(a) Based on the audit procedures carried on by us and as per the information and explanations given to us, the Company has provided guarantee, securities and unsecured loans to companies and other parties are as below:

(Amount in ₹ Lakhs):

Particulars	Loans	Guarantees	Securities
Aggregate amount granted/provided during the year			
- Subsidiaries	4,700.00	3,000.00	500.00
- Others	2.55	Nil	Nil
Balance Outstanding as at balance sheet date in respect of above cases			
- Subsidiaries	800.00	3,000.00	500.00
- Others	1.89	Nil	Nil

(b) According to the information and explanations given to us and based on the audit procedures performed by us, we are of the opinion that the guarantee provided, security given and terms and conditions of the grant of all loans and advances in the nature of loans, guarantees provided and security given during the year are not prejudicial to the interest of the Company.

(c) In respect of the loan granted by the Company to a Subsidiary and others, the schedule of repayment of principal and payment of interest has been stipulated in the loan agreement. Repayment or receipts of principal or interest have been regular.

(d) According to the information and explanation given to us, there is no amount overdue for more than ninety days in respect of loans given as the loan given by company to its subsidiary and others which are falling due during the year. Accordingly, the requirement to report on paragraph 3(iii)(d) of the Order is not applicable to the Company.

(e) As per the information available to us, no loans or advances in the nature of loans granted have fallen due during the year, has been renewed or extended or fresh loans granted to settle the overdues of existing loans given to the same parties, So, the comments on this clause does not arise.

(f) The Company has not granted any loans or advances in the nature of loans, either repayable on demand or without specifying any terms or period of repayment to companies, firms, Limited Liability Partnerships or any other parties. Accordingly, the requirement to report on paragraph 3(iii)(f) of the Order is not applicable to the Company.

iv. The Company has not granted any loans or provided any guarantees or security to the parties covered under Sections 185. Further in our opinion and according to the information and explanation given to us, the Company has complied with the provisions of section 186 of the Companies Act 2013 in respect of the loans provided, investments made, guarantees and securities provided to parties covered under section 186 of the Act.

v. In our opinion and according to the information and explanations given to us, the Company has not accepted any amount which are deemed to be deposits from public within the meaning of sections 73 to 76 of the Companies Act and the rules framed thereunder. According to the information and explanation given to us, no order has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal.

vi. The Central Government of India has prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act, for any of the products of the Company. We have broadly reviewed the books of accounts maintained and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. We have not, however, made a detailed examination of the records with a view to determine whether they are accurate or complete.

vii. (a) According to the information and explanations given to us and records examined by us, the Company has been generally regular in depositing undisputed statutory dues in respect of provident fund, professional tax, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues as applicable, with the appropriate authorities though there has been delays in few cases with regards to professional tax. According to the information and explanations given to us, there are no arrears of outstanding undisputed statutory dues as at March 31, 2025 for a period of more than six months from the date they became payable.

(b) According to the information and explanation given to us and examination of the records of the Company, details of statutory dues in respect of provident fund, professional tax, employees' state insurance, income-tax, goods and service tax, cess and other statutory dues as applicable, which have not been deposited as on March 31, 2025 on accounts of any dispute, are as follows:

Name of Statute	Nature of dues	Amount Demanded (Rs. in lakhs)	Amount paid (Rs. in lakhs)	Period to which the amount relates	Forum where dispute is pending	Remarks, if any
Income Tax Act, 1961	Disallowances of bad debt written off as business expenditure.	12.20	-	AY 2023-24	Assistant Commissioner of Income Tax,	None

viii. According to the information and explanations given to us and representation given to us by the management, the company has not surrendered or disclosed any transaction, previously unrecorded in the books of account, in the tax assessment under Income Tax Act, 1961 as income during the year. Accordingly, the provision of paragraph 3(viii) of the Order is not applicable to the Company.

ix. (a) In our opinion and according to the information and explanations given to us, the company examined by us, the company has not defaulted in repayment of loans or borrowings or in payment of interest thereon to any lender.

(b) According to the information and explanations given to us and on the basis of our audit procedures, we report that the Company has not been declared wilful defaulter by any bank or financial institution or government or any government authority.

(c) In our opinion and according to the information explanation provided to us, during the year no money was raised by way of term loans. In respect of the term which were taken in the previous year, as reported by the predecessor auditor (of the transferee company) those were applied for the purpose for which the loans were obtained in the previous year.

(d) In our opinion, according to the information explanation provided to us, and the procedures performed by us, and on an overall examination of the financial statements of the Company, we report that no funds raised on short-term basis have been utilised for long-term purposes by the Company..

(e) According to the information explanation given to us and on an overall examination of the standalone financial statements of the Company, we report that the company has not taken any funds from an any entity or person on account of or to meet the obligations of its subsidiaries.

(f) According to the information and explanations given to us and procedures performed by us, we report that the Company has not raised loans during the year on the pledge of securities held in its subsidiaries.

x. (a) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year. Accordingly, the provisions stated in paragraph 3 (x)(a) of the Order are not applicable to the Company.

(b) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully, partly or optionally convertible debentures during the year. Accordingly, the provisions stated in paragraph 3 (x)(b) of the Order are not applicable to the Company.

xi. (a) During the course of our audit, examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company.

(b) We have not come across of any instance of material fraud by the Company or on the Company during the course of audit of the standalone financial statement for the year ended March 31, 2025, accordingly the provisions stated in paragraph (xi)(b) of the Order is not applicable to the Company.

(c) As represented to us by the management, there are no whistle-blower complaints received by the Company during the course of audit. Accordingly, the provisions stated in paragraph (xi)(c) of the Order is not applicable to company.

xii. (a) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Accordingly, the provisions stated in paragraph 3(xii) (a) to (c) of the Order are not applicable to the Company.

xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the standalone financial statements as required under Indian Accounting Standard (Ind AS) 24, "Related Party Disclosure" specified under section 133 of the Act, read with relevant rules issued thereunder.

xiv. (a) In our opinion and based on our examination, the Company has an internal audit system commensurate with the size and nature of its business.

(b) We have considered internal audit reports issued by internal auditors during our audit.

xv. According to the information and explanations given to us, in our opinion during the year the Company has not entered into non-cash transactions with directors or persons connected with its directors and hence, provisions of section 192 of the Act are not applicable to company. Accordingly, the provisions stated in paragraph 3(xv) of the Order are not applicable to the Company.

xvi. (a) During the year, the Company received a No Objection Certificate (NOC) dated August 19, 2024, from the Reserve Bank of India (RBI) for the merger of its subsidiary, Synegra EMS Limited, with the Company. As stated in the NOC, the Certificate of Registration (CoR) as a Non-Banking Financial Company (NBFC) issued to the Company will stand cancelled upon the NCLT scheme becoming effective, as the Company will no longer meet the eligibility criteria prescribed under Section 45-IA of the Reserve Bank of India Act.

(b) In our opinion, the Company has not carried out any Non-Banking Financial or Housing Finance activities during the year without a valid Certificate of Registration from the Reserve Bank of India, up to the date of its cancellation of the Certificate of Registration (CoR) as mentioned in the above paragraph. Accordingly, the provisions of Clause 3(xvi)(b) of the Order are not applicable to the Company.

(c) The Company is not a Core investment Company (CIC) as defined in the regulations made by Reserve Bank of India. Hence, the reporting under paragraph 3 (xvi)(c) of the Order are not applicable to the Company.

(d) The Company does not have more than one CIC as a part of its group. Hence, the provisions stated in paragraph 3 (xvi)(d) of the Order are not applicable to the Company.

xvii. According to the information explanation provided to us, the Company has not incurred cash losses in the current financial year and in the immediately preceding financial year. Hence, the provisions stated in paragraph 3 (xvii) of the Order are not applicable to the Company.

xviii. There has been no resignation of the statutory auditors during the year. Accordingly, reporting under paragraph 3(xviii) of the Order is not applicable to the Company.

xix. According to the information and explanations given to us and based on our examination of financial ratios, ageing and expected date of realisation of financial assets and payment of liabilities, other information accompanying the standalone financial statements, our knowledge of the Board of Directors and management plans, we are of the opinion that no material uncertainty exists as on the date of audit report and the Company is capable of meeting its liabilities existing at the date of balance sheet as and when they fall due within a period of one year from the balance sheet date. We, however, state that this is not an assurance as to the future viability of the company. We further state that our reporting is based on the facts up to the date of the audit report and we neither give any guarantee nor any assurance that all liabilities falling due within a period of one year from the balance sheet date, will get discharged by the company as and when they fall due.

xx. Since the Company doesn’t satisfy any of the criteria prescribed under Section 135(1) of the Companies Act, 2013 during the immediately preceding financial year, thus there was no requirement for the Company to spend any amount on CSR activities during the year ended March 31, 2025. Accordingly, the requirement to report on clause 3(x)(a) and (b) of the Order is not applicable to the Company.

xxi. There are no Qualifications/adverse remarks by the respective auditors in the Companies (Auditor’s Report) Order (CARO) Reports of the companies included in the consolidated financial statements. Accordingly, the provisions stated in paragraph 3 (xxi) of the Order are not applicable to the Company.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 25120593BMHZKC6718

Place : Mumbai
Date : May 9, 2025

Annexure B to The Independent Auditor's Report
OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED

[Referred to in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the members of Smartlink Holdings Limited on the standalone financial statements of the Company for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

We have audited the internal financial controls with reference to standalone financial statements of Smartlink Holdings Limited ("the Company") as of March 31, 2025 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls with reference to standalone financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (ICAI) (the "Guidance Note").

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to standalone financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to standalone financial statements and their operating effectiveness. Our audit of internal financial controls with reference to standalone financial statements included obtaining an understanding of internal financial controls with reference to standalone financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the standalone financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

Meaning of Internal Financial Controls with Reference to Standalone Financial Statements

A Company's internal financial control with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A Company's internal financial control with reference to standalone financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls with Reference to Standalone Financial Statements

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial control with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 25120593BMHZKC6718

Place : Mumbai
Date : May 9, 2025

Standalone Balance Sheet as at March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,388.19	1,361.26
Other intangible assets	6	-	-
Investment property	7	1,594.51	1,631.80
Financial assets			
(i) Investments	8	6,546.04	7,381.98
(i) Other financial assets	9	131.84	230.18
Tax assets (net)	10	192.59	190.89
Other non-current assets	11	187.56	124.25
Total non-current assets		**10,040.73**	**10,920.36**
Current assets			
Inventories	12	621.00	398.84
Financial assets			
(i) Investments	13	7,148.70	8,826.38
(ii) Trade receivables	14	1,913.81	1,109.29
(iii) Cash and cash equivalents	15	4.47	43.90
(iv) Bank balances other than cash and cash equivalents	16	320.52	620.31
(v) Loans	17	801.89	1.40
(vi) Other financial assets	18	440.15	480.84
Other current assets	19	193.15	309.44
Total current assets		**11,443.69**	**11,790.40**
Total Assets		**21,484.42**	**22,710.76**
LIABILITIES AND EQUITY			
Equity			
Equity share capital	20	199.50	199.50
Other equity	21	19,811.59	19,593.80
Total equity		**20,011.09**	**19,793.30**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	22	-	108.00
(ii) Lease Liabilities	45	135.91	135.85
(iii) Other financial liabilities	23	46.52	43.86
Provisions	24	92.01	41.09
Deferred tax liabilities (net)	38	128.83	428.66
Total non-current liabilities		**403.27**	**757.46**
Current liabilities			
Financial liabilities			
(i) Borrowings	25	0.24	608.00
(ii) Lease Liabilities	45	11.58	11.58
(iii) Trade payables	26		
Total outstanding dues of micro enterprises and small enterprises		20.59	14.80
Total outstanding dues of creditors other than micro enterprises and small enterprises		857.10	1,335.94
(iv) Other financial liabilities	27	129.37	138.11
Other current liabilities	28	44.89	48.18
Provisions	29	6.29	3.39
Total current liabilities		**1,070.06**	**2,160.00**
TOTAL LIABILITIES		**1,473.33**	**2,917.46**
Total Equity and Liabilities		**21,484.42**	**22,710.76**

See accompanying notes forming part of the Financial Statements 1-72

The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Statement of Standalone Profit and Loss for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
INCOME			
Revenue from operations	30	9,696.51	8,845.45
Other income	31	1,312.30	1,285.87
Total income		**11,008.81**	**10,131.32**
EXPENSES			
Cost of raw materials consumed	32	8,620.28	6,937.72
Changes in inventories of finished goods and work-in-progress	33	(49.02)	582.66
Employee benefits expenses	34	1,074.24	795.10
Finance costs	35	68.32	115.29
Depreciation and amortisation expense	36	292.34	261.04
Other expenses	37	1,038.11	709.00
Total expenses		**11,044.27**	**9,400.81**
Profit / (loss) before tax		**(35.46)**	**730.51**
TAX EXPENSE:			
- Current tax		-	51.67
- Deferred tax		(287.76)	64.37
- Taxes adjustment for earlier year		(1.38)	(1.40)
Total tax expense / (credit)	38(F)	**(289.14)**	**114.64**
Profit / (loss) for the year		**253.68**	**615.87**
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains / (loss) on defined benefit plan		(47.95)	(18.30)
Income tax relating to above	38(E)	12.07	1.42
Other Comprehensive Income / (loss) for the year, net of tax		(35.88)	(16.88)
Total Comprehensive Income for the year		**217.80**	**598.99**
Basic and diluted earnings per share	40	2.54	6.17
(Nominal value per share INR 2)			

See accompanying notes forming part of the Financial Statements 1-72
The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Statement of Standalone Cash Flows for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Cash flow from operating activities		
Net Profit / (loss) before tax	(35.46)	730.51
Adjustments for:		
Depreciation and amortisation expense	292.34	261.04
Interest on income tax refund	(2.26)	(13.32)
Profit on Property, plant and equipment sold / written off (net)	-	(4.11)
Net gain on fair value changes	(427.67)	(442.95)
Interest income	(625.97)	(622.72)
Unrealised foreign exchange difference (net)	(8.91)	(0.22)
Sundry balances written back	-	(0.18)
Finance costs	68.32	115.29
Guarantee commission	(14.63)	(14.77)
Operating Profit / (loss) before working capital changes	**(754.24)**	**8.57**
Changes in working capital		
(Increase) / Decrease in inventories	(222.16)	1,217.65
(Increase) / Decrease in trade receivables	(804.52)	(916.09)
(Increase) / Decrease in loans	(800.49)	0.53
(Increase) / Decrease in other financial assets	23.83	(152.46)
(Increase) / Decrease in other non financial assets	52.98	147.17
Increase / (Decrease) in trade payables	(464.08)	33.61
Increase / (Decrease) in other financial liabilities	45.04	(5.58)
Increase / (Decrease) in other non financial liabilities	(0.63)	(88.32)
Increase / (Decrease) in provisions	5.87	(10.73)
Cash generated from/(used in) operations	**(2,918.40)**	**234.35**
Net Income tax (paid) / refund	1.94	(83.93)
Net cash flows from/(used in) operating activities (A)	**(2,916.46)**	**150.42**
Cash flow from Investing activities		
Purchase of property, plant and equipment and investment property	(336.32)	(245.69)
Proceeds from sale of property, plant and equipment and intangible assets	-	4.11
Purchase of Investment	(3,411.64)	(4,101.67)
Sale of Investment	6,309.63	3,914.40
Investment in term deposits (having original maturity of more than 3 months)	(1,232.61)	(797.32)
Redemption / maturity of term deposit (having original maturity of more than 3 months)	1,654.83	1,280.61
Interest received	679.66	517.26
Net cash flows from/(used in) investing activities (B)	**3,663.55**	**571.70**
Cash flow from Financing activities		
Interest payments	(53.12)	(102.08)
Repayment of long term borrowings	(217.07)	(52.79)
Proceeds from long term borrowings	-	63.16
Repayment of short term borrowings (net)	(504.81)	(610.48)
Cash Payment for the principal portion of lease payments	(11.58)	(11.59)
Net cash flows from/(used in) financing activities (C)	**(786.58)**	**(713.78)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	(39.49)	8.34
Cash and cash equivalents at the beginning of the year	43.90	35.52
Effect of exchange differences on restatement of foreign currency Cash and bank balance	0.06	0.04
Cash and cash equivalents at the end of the year	**4.47**	**43.90**
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	2.23	21.60
Fixed deposits with maturity of less than 3 months	-	20.00
Cash on hand	2.24	2.30
Total cash and cash equivalents at end of the year	**4.47**	**43.90**

(i) The above cash flow statement has been prepared under the indirect method as set out in Ind AS 7 " Statement of Cash Flows"
(ii) Non Cash Movement in Financing Activity

Lease Liabilities	11.64	11.71

See accompanying Notes forming part of the Financial Statements 1-72
The accompanying notes are an integral part of the Financial Statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Statement of Standalone Changes in Equity For the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

(I) EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Opening	99,75,000	199.50	99,75,000	199.50
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Closing	**99,75,000**	**199.50**	**99,75,000**	**199.50**

(II) OTHER EQUITY

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	Capital Reserve	Total
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account			
Balance at April 01, 2023	144.79	1,254.32	400.60	5,567.20	11,203.89	(25.76)	449.76	18,994.80
Profit for the year	-	-	-	-	615.87	-	-	615.87
Other comprehensive income / (loss)	-	-	-	-	-	(16.88)	-	(16.88)
Changes during the year	0.01	-	-	-	-	-	-	0.01
Total Comprehensive Income for the year	**0.01**	**-**	**-**	**-**	**615.87**	**(16.88)**	**-**	**599.00**
Transfer to Statutory Reserve	-	64.10	-	-	(64.10)	-	-	-
Balance at March 31, 2024	**144.80**	**1,318.42**	**400.60**	**5,567.20**	**11,755.66**	**(42.64)**	**449.76**	**19,593.80**

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	Capital Reserve	Total
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account			
Balance at April 01, 2024	144.80	1,318.42	400.60	5,567.20	11,755.66	(42.64)	449.76	19,593.80
Profit for the year	-	-	-	-	253.68	-	-	253.68
Other comprehensive income / (loss)	-	-	-	-	-	(35.88)	-	(35.88)
Changes during the year	(0.01)	-	-	-	-	-	-	(0.01)
Total Comprehensive Income for the year	**(0.01)**	**-**	**-**	**-**	**253.68**	**(35.88)**	**-**	**217.79**
Transfer to Statutory Reserve	-	-			-			-
Balance at March 31, 2025	**144.79**	**1,318.42**	**400.60**	**5,567.20**	**12,009.34**	**(78.52)**	**449.76**	**19,811.59**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 1: CORPORATE INFORMATION

Smartlink Holdings Limited ("Company"), incorporated in Goa is in the business of manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for Original Equipment Manufacturers ("EMS" business). The Company is public limited company incorporated and domiciled in India and has its registered office at Verna Industrial Estate, Goa, India. The company has its listing on BSE Limited and National Stock Exchange of India Limited.

During the year, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated January 09, 2025 has approved the 'Scheme of Amalgamation ('Scheme')' of Wholly Owned Subsidiary Synegra EMS Limited with the Company. Consequent to the Scheme becoming effective on January 31, 2025, the Company has ceased to be a Non-Banking Financial Company ('NBFC'). The Company has surrendered the Certificate of registration of NBFC issued by the Reserve Bank of India - to carry on the business of NBFC without accepting public deposits refer note 39 for the details.

The Financial Statements for the year ended March 31, 2025 were approved for issue by company's Board of Directors on May 09, 2025.

NOTE 2: MATERIAL ACCOUNTING POLICIES

Material accounting policies adopted by the Company are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 (as amended from time to time).

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (INR) in lakhs, which is also the functional currency of the company and all amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, except when otherwise indicated.

(b) Classification into current and non-current:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and noncurrent classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Property, plant and equipment

Property, plant and equipment, are stated at historical cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to Statement of Profit and Loss during the year in which they are incurred.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under other non-current assets and the cost of assets not put to use before such date are disclosed under 'Capital work-in-progress'.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Depreciation methods, estimated useful lives

The Company depreciates property, plant and equipment using the straight line method over their estimated useful lives as under:

Property, plant and equipment	Useful Lives (in years)
Plant and Equipments	8
Furniture and Fixtures	8
Motor vehicles	5
Office Equipment	5
Electrical Installations	10
Computers	3

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use. Depreciation on derecognition of an asset from property plant and equipment is provided up to the date preceding the date of derecognition.

Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.3 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in statement of Profit & Loss account.

The Company amortized intangible assets using the straight line method over their estimated useful lives as under :

Intangible assets	Useful life (in years)
Computer Software (ERP)	3
Computer Software (other software)	4*

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.4 Investment properties

Property that is held for long - term rental yield or for capital appropriation or both, and that is not used in the production of goods and services or for administrative purposes is classified as investment property.

Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Investment properties include properties leased out and measured as right of use assets.

2.5 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the entity operates (‘the functional currency’). The financial statements are presented in Indian rupee (INR), which is the Company’s functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.6 Fair value measurement

The Company measures financial instruments at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Company.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 — Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

(Amount in INR Lakhs, unless otherwise stated)

2.7 Revenue Recognition

(a) Sale of Products

Revenue from contract with customers is recognised at a point in time when the Company satisfies the performance obligation by transferring /delivering promised goods to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and services tax and amounts collected on behalf of third party.

(b) Rendering of Services

The Company primarily earns revenue from job work and repair charges. Revenue is recognised in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable and is net of Goods and Service Tax.

(c) Interest income - the effective interest rate method

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Company recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

(d) Revenue from lease rentals

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

(e) Dividend Income

Dividend income (including from FVTOCI investments) is recognised when the Company's right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

(f) Trading Income

Trading income includes all gains and losses from changes in fair value and the related interest income or expense and dividends, for financial assets and financial liabilities held for trading.

2.8 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off.

Deferred tax assets are reviewed at each balance sheet date for their realisability.

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.9 Leases

The Company's lease asset classes primarily consist of leases for office and factory premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

(Amount in INR Lakhs, unless otherwise stated)

2.10 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and net realisable value.

Cost of inventories comprises of cost of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management's estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value.

2.11 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the higher of an assets fair value less cost of disposal and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.12 Provisions and contingent liabilities

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that the Company will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.13 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits net of bank overdraft with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents include cash on hand, cash in bank and short-term deposits net of bank overdraft.

2.14 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Investment in subsidiaries

Interest in subsidiaries are recognised at cost and not adjusted to fair value at the end of each reporting period. Cost represents amount paid for acquisition of the said investments.

The Company assesses at the end of each reporting period, if there are any indications that the said investments may be impaired. If so, the Company estimates the recoverable value/amount of the investment and provides for impairment, if any i.e. the deficit in the recoverable value over cost.

(b) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

<u>Amortized cost:</u> Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in interest income using the effective interest rate method (EIR).

<u>Fair value through other comprehensive income (FVTOCI):</u> Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVTOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in interest income using the effective interest rate method.

(Amount in INR Lakhs, unless otherwise stated)

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVTOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in Interest income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Company makes such election on an instrument-by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

The Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

For recognition of impairment loss on financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original effective interest rate (EIR). When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(c) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(Amount in INR Lakhs, unless otherwise stated)

(d) Financial Guarantee Contracts

Financial guarantees are initially recognised in the financial statements (within 'other liabilities') at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation. Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

(e) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

2.15 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: The Company's contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan, are charged to the Statement of Profit and Loss in the period of accrual. The Company has no obligation, other than the contribution payable to the provident fund.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Company has no further obligations. Such benefits are classified as Defined Contribution plan as the Company does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity:

The Company provides for gratuity, a defined benefit plan (the 'Gratuity Plan"") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Company's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income ("OCI") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in surplus in statement of profit and loss account and is not reclassified to profit or loss in subsequent periods.

(c) Other long term employee benefits:

Company's liabilities towards compensated absences to employees which are expected to be availed or encashed beyond 12 months from the end of the year are accrued on the basis of valuations, as at the Balance Sheet date, carried out by an independent actuary using Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

2.16 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Company's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.17 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.

b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.18 Dividend on ordinary shares

The Company recognises a liability when the distribution is authorised by the shareholders. A corresponding amount is recognised directly in equity.

2.19 Accounting for Government Grants

Government grants in terms of incentives are recognized only when there is reasonable assurance that (i) the Company will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

(Amount in INR Lakhs, unless otherwise stated)

The Government grant in the form of incentives are recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and the achievement of the performance criteria for being eligible for receipt of the grant. The grants are presented under 'Other Operating Income' in the Statement of Profit and Loss.

2.20 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

NOTE 3: SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the preparation of the financial statements, the Company makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2025 are as below :

(a) Useful life of Property, plant and equipment, Investment Property and intangible assets and its expected residual value

Property, plant and equipment, Investment Property and other intangible assets represent a significant proportion of the assets of the Company. Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(b) Fair value measurements and valuation processes

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility for further details about determination of fair value.

(c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Information about such valuation is provided in notes to the financial statements.

(d) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(e) Effective Interest Rate (EIR) method

The Company's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(f) Impairment of financial asset

The Company recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVTOCI) except investment in equity instruments. At each reporting date, the Company assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTE 4: RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified IND-AS 117 Insurance contract and amendment to IND AS 116 - Leases, relating to sales and lease back transactions, applicable to the company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in it's financial statements.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block						Depreciation						Net block	
	As at April 01, 2024	Additions	Deductions	Transfer from Investment Property	Transfer to Investment Property	As at March 31, 2025	As at April 01, 2024	Charge for the year	Deductions	Transfer from Investment Property	Transfer to Investment Property	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Land-Freehold	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Buildings-Own Use	1,105.20	-	-	-	-	1,105.20	826.87	33.63	-	-	-	860.50	244.70	278.33
Plant and equipment*	1,951.44	260.09	-	-	-	2,211.53	1,047.34	185.04	-	-	-	1,232.38	979.15	904.10
Furniture and Fixtures	222.97	1.77	-	-	-	224.74	209.34	2.28	-	-	-	211.62	13.12	13.63
Motor vehicles	132.27	-	-	-	-	132.27	53.95	22.32	-	-	-	76.27	56.00	78.32
Office Equipment	124.40	0.52	-	-	-	124.92	121.27	1.01	-	-	-	122.28	2.64	3.13
Electrical installations	755.69	16.53	-	-	-	772.22	716.51	7.42	-	-	-	723.93	48.29	39.18
Computers	79.45	3.07	-	-	-	82.52	76.77	2.75	-	-	-	79.52	3.00	2.68
Right-of-use assets	53.93	-	-	-	-	53.93	12.04	0.60	-	-	-	12.64	41.29	41.89
Total	**4,425.35**	**281.98**	**-**	**-**	**-**	**4,707.33**	**3,064.09**	**255.05**	**-**	**-**	**-**	**3,319.14**	**1,388.19**	**1,361.26**

Particulars	Gross Block						Depreciation						Net block	
	As at April 01, 2023	Additions	Deductions	Transfer from Investment Property	Transfer to Investment Property	As at March 31, 2024	As at April 01, 2023	Additions/ Adjustments	Deductions/ Adjustments	Transferred from Investment Property	Transfer to Investment Property	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Land-Freehold	87.91	-	-	-	87.91	-	87.91	-	-	-	87.91	-	-	-
Buildings-Own Use	1,377.68	-	-	409.25	681.73	1,105.20	644.57	46.11	-	302.68	166.49	826.87	278.33	733.11
Plant and equipment *	1,769.19	203.05	20.80	-	-	1,951.44	918.58	149.56	20.80	-	-	1,047.34	904.10	850.61
Furniture and Fixtures	223.87	-	0.90	-	-	222.97	207.89	2.35	0.90	-	-	209.34	13.63	15.98
Motor vehicles	132.27	-	-	-	-	132.27	29.38	24.57	-	-	-	53.95	78.32	102.89
Office Equipment	122.80	1.60	-	-	-	124.40	120.29	0.98	-	-	-	121.27	3.13	2.51
Electrical installations	782.76	3.42	30.49	-	-	755.69	740.79	6.21	30.49	-	-	716.51	39.18	41.97
Computers	78.25	1.20	-	-	-	79.45	72.96	3.81	-	-	-	76.77	2.68	5.29
Right-of-use assets	16.87	-	-	37.06	-	53.93	4.43	0.60	-	7.01	-	12.04	41.89	12.44
Total	**4,591.60**	**209.27**	**52.19**	**446.31**	**769.64**	**4,425.35**	**2,826.80**	**234.19**	**52.19**	**309.69**	**254.40**	**3,064.09**	**1,361.26**	**1,764.80**

Footnote:

(a) All title deeds of immovable properties are held in the name of company.

(b) The Company has not revalued any of its property, plant and equipments during the years ended March 31, 2025 and March 31, 2024.

(c) Freehold Land and building given on operating lease have been reclassified to Investment Property.

(d) Plant and Equipment NIL (March 31, 2024 INR 300 lakhs) hypothecated to SIDBI as first charge against Term loan (Refer note 22 and Refer note 42).

(Amount in INR Lakhs, unless otherwise stated)

NOTE 6: INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation				Net block	
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	Charge for the year	Deductions	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Computer Software	105.20	-	-	105.20	105.20	-	-	105.20	-	-
Total	**105.20**	**-**	**-**	**105.20**	**105.20**	**-**	**-**	**105.20**	**-**	**-**

Particulars	Gross Block				Depreciation				Net block	
	As at April 01, 2023	Additions	Deductions	As at March 31, 2024	As at April 01, 2023"	Charge for the year	Deductions	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Computer Software	105.20	-	-	105.20	105.20	-	-	105.20	-	-
Total	**105.20**	**-**	**-**	**105.20**	**105.20**	**-**	**-**	**105.20**	**-**	**-**

Footnote:

(a) The Company has not revalued any of its intangible assets during the years ended March 31, 2025 and March 31, 2024.

NOTE 7: INVESTMENT PROPERTY

Particulars	Gross Block						Depreciation						Net block	
	As at April 01, 2024	Additions	Deductions	Transfer to Investment Property	Transfer to Property, Plant and Equipment	As at March 31, 2025	As at April 01, 2024	Charge for the year	Deductions	Transfer to Investment Property	Transfer to Property, Plant and Equipment	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Land	838.51	-	-	-	-	838.51	144.77	9.31	-	-	-	154.08	684.43	693.74
Building	1,230.43	-	-	-	-	1,230.43	292.37	27.98	-	-	-	320.35	910.08	938.06
Total	**2,068.94**	**-**	**-**	**-**	**-**	**2,068.94**	**437.14**	**37.29**	**-**	**-**	**-**	**474.43**	**1,594.51**	**1,631.80**

Particulars	Gross Block						Depreciation						Net block	
	As at April 01, 2023	Additions	Deductions	Transfer from Property, Plant and Equipment	Transfer to Property, Plant and Equipment	As at March 31, 2024	As at April 01, 2023	Charge for the year	Deductions	Transfer from Property, Plant and Equipment	Transfer to Property, Plant and Equipment	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Land	787.66	-	-	87.91	37.06	838.51	54.56	9.31	-	87.91	7.01	144.77	693.74	733.10
Building	957.95	-	-	681.73	409.25	1,230.43	411.02	17.54	-	166.49	302.68	292.37	938.06	546.93
Total	**1,745.61**	**-**	**-**	**769.64**	**446.31**	**2,068.94**	**465.58**	**26.85**	**-**	**254.40**	**309.69**	**437.14**	**1,631.80**	**1,280.03**

Footnote:

(a) Asset given on operating lease - gross value - on March 31, 2025 INR 2,068.94 lakhs (March 31, 2024 INR 2,068.94 lakhs), - written down value on March 31, 2025 INR 1,594.51 lakhs (March 31, 2024 INR 1,631.80 lakhs).

(b) Rental income from Investment Properties given on operating lease, in the Statement of Profit and Loss amounts to INR 199.93 lakhs (March 31, 2024 INR 164.95 lakhs).

(c) Fair value as on March 31, 2025 of Land INR 8,114.96 lakhs (March 31, 2024 INR 8,114.96 lakhs) and Buildings INR 1,302.33 lakhs (March 31, 2024 INR 1302.33 lakhs).

(d) Freehold Land and building given on operating lease have been reclassified from Property, Plant and Equipment.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 8: INVESTMENTS (NON CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments measured at Cost		
Subsidiary - Digisol Systems Limited	4,496.74	4,485.87
Less: Allowance for Impairment loss	(1,288.36)	(1,288.36)
	3,208.38	3,197.51
Investments measured at amortised cost		
Debt securities	3,337.66	4,184.47
Total	**6,546.04**	**7,381.98**
Investments outside India	-	-
Investments in India	**6,546.04**	**7,381.98**

DETAILS OF INVESTMENTS -

Particulars	Face Value	Nos		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investments measured at Amortised Cost					
Investments in bonds (Quoted) (refer footnote 1):					
Canara Bank BD Perpetual - 9.55%	1,000,000	-	10	-	100.59
Cholamandalam Investment and Finance Company Ltd - NCD 8.80%	1,000,000	30	30	320.90	320.98
Mahindra Rural housing Finance Ltd 2017 - NCD 8.50%	1,000,000	30	30	320.94	321.01
Tata Motors Finance Limited Perpetual NCD -11.10%	1,000,000	-	30	-	342.83
Bajaj Finance Ltd 2027 - NCD 8.15%	1,000,000	5	5	50.63	50.64
Mahindra and Mahindra Financial Services Limited 2031 - 7.35%	1,000,000	20	20	210.83	210.87
State Bank of India Unsecured Rated Listed Additional Tier I Non Convertible Bond - 7.72%	10,000,000	3	3	313.63	313.93
State Bank of India perp - 100 year - 7.55%	10,000,000	2	2	204.47	204.53
L&T Finance Limited Tier II (series-s) - 9.95%	1,000,000	-	16	-	179.85
Punjab National Bank (TIER II) Bonds - 9.20%	1,000,000	-	11	-	115.52
L&T Finance Holdings Limited MLD	1,000,000	-	20	-	200.23
TATA Capital Limited - 7.89%	1,000,000	50	50	528.18	528.80
L&T Finance Holdings Limited - 8.75%	1,000,000	-	9	-	92.17
Mahindra and Mahindra Financial Services Limited - 7.90%	1,000,000	50	50	523.26	523.45
HDFC Credila Financial Services Limited Perpetual NCD - 10.50%	1,000,000	-	8	-	82.29
Tata Capital Limited Perpetual - 9.80%	1,000,000	25	20	271.25	218.86
Shriram Finance Limited - 8.75%	100,000	360	160	388.26	172.57
Cholamandalam Investment and Finance Company Limited - 8.50%	1,000	20,000	20,000	205.31	205.35
Total				**3,337.66**	**4,184.47**
Aggregate book value of:					
Quoted investments				3,337.66	4,184.47
Unquoted investments				3,208.38	3,197.51
Aggregate market value of:					
Quoted investments				3,218.40	3,992.74
Unquoted investments				-	-

Footnote:-

1 Investment in Bonds includes accrued interest of INR 174.83 in the current year and 196.14 lakhs in the previous year.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 9: OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits	14.21	8.28
In Fixed deposits with maturity of more than 12 months from balance sheet date (refer note a & b)	117.63	221.90
Total	**131.84**	**230.18**

Footnote:

a) held as margin money against bank guarantee.	75.69	75.69
b) held as guarantee to bank for bank Overdraft availed	-	110.00

NOTE 10: NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance income tax (net of provisions for taxation of INR 991.19 lakhs (March 31, 2024: INR 992.57 lakhs)	192.59	190.89
Total	**192.59**	**190.89**

NOTE 11: OTHER NON-CURRENT ASSET

Particulars	As at March 31, 2025	As at March 31, 2024
Balances with statutory/Government authorities	187.56	124.25
Total	**187.56**	**124.25**

NOTE 12: INVENTORIES

(At lower of cost or net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials	284.19	334.55
Raw materials in transit	261.70	39.60
Work-in-progress	47.54	0.33
Finished goods	2.29	0.47
Stores, spares and packing materials	25.28	23.89
Total	**621.00**	**398.84**

Footnote:

a) The Cost of raw materials inventories recognised as expense during the year	8,620.28	6,937.72
b) Carrying value of Inventories hypothecated as security by the company	595.72	374.95
(Refer note 25 and note 42)		

NOTE 13: INVESTMENTS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Investments measured at amortised cost		
Debt securities	644.83	543.53
Fixed Deposits	1,330.53	1,351.52
Investments measured at Fair Value through Profit or Loss		
Mutual funds	5,173.34	6,931.33
Total - Gross (A)	**7,148.70**	**8,826.38**
Investments outside India	-	-
Investments in India	**7,148.70**	**8,826.38**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 13: INVESTMENTS - CURRENT (CONTD.)

DETAILS OF INVESTMENTS

	Particulars	Face Value	Nos		Amount	
			As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
1.	**Investments measured at Amortised Cost**					
	Investments in bonds (Quoted) (refer footnote 1):					
	North Eastern Electric Power Corporation Limited - NCD 7.68%	1,000,000	20	20	205.75	205.99
	L & T Finance Limited - 8.90%	1,000,000	19	19	204.85	205.09
	U.P. Power Corporation Limited - 9.95%	1,000,000	13	13	131.28	132.45
	Tata Capital Limited Perpetual NCD - 9.86%	1,000,000	10	-	102.95	-
					644.83	543.53
	Fixed Deposits (Unquoted)					
	Fixed Deposit with Bajaj Finance Limited (refer footnote 2)		3	3	1,330.53	1,351.52
					1,330.53	1,351.52
					1,975.36	**1,895.05**
2.	**Investments measured at Fair Value through Profit or Loss**					
	Mutual funds (Unquoted)					
	ICICI Mutual Fund					
	ICICI Prudential Banking & PSU Debt Fund - Growth	10	-	1,974,384.404	-	585.53
	ICICI Prudential Corporate Bond Fund - Growth	10	-	2,117,912.167	-	570.70
	ICICI balance Advantage Fund - Growth	10	254,839.643	172,983.785	196.84	123.41
	ICICI Prudential Overnight fund direct plan growth	1,000	11,279.352	48,465.434	155.20	625.46
	ICICI Prudential Medium term bond fund - Direct plan - Growth	10	1,545,211.172	-	741.62	-
	Kotak Mahindra Mutual Fund					
	Kotak Bond Fund Short Term - Growth - Regular Plan	10	1,504,985.518	1,504,985.518	767.76	711.05
	Birla Sun Life Mutual Fund					
	Aditya Birla sun life floating rate fund growth direct plan	100	-	7,867.557	-	25.45
	Aditya Birla Sun Life Corporte Bond Fund -growth -direct	100	60,801.493	60,801.493	68.37	62.77
	Aditya Birla Sun Life NBFC-HFC Index-Sep 2026 Fund-Direct Growth	10	995,004.828	-	103.32	-
	SBI Mutual fund					
	SBI Short Term Debt Fund-Regular Plan-Growth	10	3,317,756.564	4,005,505.013	1,041.62	1,163.80
	Invesco Mutual Fund					
	Invesco India Ultra Short Term Fund Plan Growth (refer footnote 3)	10	10,022.335	10,022.335	265.48	247.46
	Invesco India Short Term Fund - Regular Plan (refer footnote 3)	10	7,725.541	7,725.541	296.79	273.54
	HSBC Mutual Fund					
	HSBC Corporate Bond Fund - Direct Growth (Formerly L & T Triple Ace Bond Fund - Direct Plan-Growth)	10	43,408.700	43,408.700	32.98	30.39
	HSBC Short Duration Fund - Direct Growth (Formerly L & T Short Term Bond Fund - Direct Plan - Growth)	10	1,685,769.092	1,685,769.092	461.71	425.34
	Bandhan Mutual Fund					
	Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (Formerly IDFC Banking & PSU Debt Fund - Direct Plan - Growth) (refer footnote 3)	10	1,849,165.387	1,849,165.423	458.39	423.55
	Bandhan Dynamic bond fund - Growth - regular plan (Formerly IDFC Dynamic Bond fund growth regular)	10	626,392.247	1,077,845.928	211.69	336.59
	Edelweiss Mutual Fund					
	Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	1,837,832.906	1,837,832.906	235.16	218.20

(Amount in INR Lakhs, unless otherwise stated)

NOTE 13: INVESTMENTS - CURRENT (CONTD.)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Bajaj Finserv Mutual Fund					
Bajaj Finserv Liquid Fund - Direct - Growth	1,000	-	28,964.883	-	305.23
Bajaj Finserv Money Market Fund - Direct Plan - Growth	1,000	-	47,465.491	-	500.84
Nippon India Mutual Fund					
Nippon India Liquid Fund - Direct Plan Growth Plan	1,000	31,891.815	5,111.235	26.62	302.02
UNION Mutual Fund					
Union Short duration plan Direct Growth	10	1,081,737.210	-	109.79	-
				5,173.34	**6,931.33**
Total Investments- Gross				**7,148.70**	**8,826.38**
Aggregate book value of:					
Quoted investments				644.83	543.53
Unquoted investments				5,469.09	7,290.19
Aggregate market value of:					
Quoted investments				632.00	532.98
Unquoted investments (Mutual Fund)				5,173.34	6,931.33

Footnote:-

1 Investment in Bonds includes accrued interest of INR 22.82 in the current year and 23.52 lakhs in the previous year.

2 Fixed deposits in the previous year pledged against Loan obtained by Digisol Systems Limited (wholly owned subsidiary).

3 Invesco India Ultra Short Term Fund pledged against overdraft facility NIL (March 31, 2024 INR 247.46).

4 Mutual Fund pledged against overdraft facility obtained by Digisol Systems Limited (wholly owned subsidiary) are as below limited for an amount not exceeding INR 500 lakhs.

Particulars	As at March 31, 2025	As at March 31, 2024
Bandhan Banking and PSU Debt Mutual Fund	266.55	423.55
Invesco India Ultra Short Duration Mutual Fund	154.93	-
Invesco India Short Duration Mutual Fund	223.19	-
Total	**644.67**	**423.55**

NOTE 14: TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Unsecured		
-Considered good (refer note below)	1,913.81	1,109.29
-Considered doubtful	-	-
Less : Allowance for bad and doubtful debts	-	-
Total	**1,913.81**	**1,109.29**
Note		
Receivable from related parties (Refer Note 46)		
Digisol Systems Limited	1,839.80	751.99
Receivable from Others	74.01	357.30
Total Receivables	**1,913.81**	**1,109.29**
Carrying value of trade receivables hypothecated as security by the company (Refer note 25 and note 42)	**1,913.81**	**1,109.29**

The net carrying value of trade receivables is considered a reasonable approximation of fair value.
Trade receivable are non-interest bearing and are generally on credit terms of 30 to 90 days.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 14: TRADE RECEIVABLES (CONTD.)

Receivables ageing

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Undisputed Trade receivables – considered good		
Unbilled Dues	-	-
Not Due	1,861.14	1,070.77
Less than 6 months	52.09	38.27
6 months - 1 year	-	0.19
1-2 years	0.58	0.06
2-3 years	-	-
More than 3 years	-	-
Total	**1,913.81**	**1,109.29**

NOTE 15: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	2.24	2.30
Balances with banks		
On current accounts	2.23	21.60
Fixed deposits with maturity of less than 3 months*	-	20.00
Total	**4.47**	**43.90**
* Fixed Deposit kept as cash margin for Non fund based facility (letter of credit) with ICICI Bank Limited.	**-**	**20.00**

NOTE 16: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposit having original maturity of more than 3 months but remaining maturity less than 12 months (refer footnote a & b)	320.52	618.47
Unpaid dividend accounts	-	1.84
Total	**320.52**	**620.31**

Footnote :		
a) held as guarantee to bank for bank Overdraft availed	300.00	553.08
b) lien with Small Industrial Development Bank Of India against Term Loan. (Refer Note 22)	-	58.55

NOTE 17: LOANS

Particulars	As at March 31, 2025	As at March 31, 2024
(Unsecured, considered good)		
Loan to Employees	1.89	1.40
Loan to Digisol Systems Limited (refer note 46)	800.00	-
Total	**801.89**	**1.40**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 18: OTHER FINANCIAL ASSETS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance to employees	1.06	0.91
Production linked incentive receivable (refer note 64)	404.79	431.53
Accrued interest on fixed deposit	32.28	37.47
Accrued interest on inter corporate deposit (refer note 46)	2.02	-
Interest receivable on income tax refund	-	10.93
Total	**440.15**	**480.84**

NOTE 19: OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Prepaid expenses	9.94	16.90
Advance to vendor	33.81	129.80
Balance with government authorities	149.40	162.74
Total	**193.15**	**309.44**

NOTE 20: EQUITY SHARE CAPITAL

The Company has only one class of equity share capital having a par value of INR 2/- per share, referred to herein as equity shares.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized		
16,00,00,000 Equity Shares of INR 2/- each (March 31, 2024 : 3,50,00,000 equity shares of INR 2/- each)*	3,200.00	700.00
	3,200.00	700.00
Issued, Subscribed and paid up		
99,75,000 Equity Shares of INR 2/- each, fully paid-up (March 31, 2024 : 99,75,000)	199.50	199.50
Total	**199.50**	**199.50**

* Pursuant to the sanction of the Scheme of Amalgamation ('Scheme') between Smartlink Holdings Limited ('Company') and Synegra EMS Limited, a wholly owned subsidiary ('Synegra') of the Company, by the Hon'ble National Company Law Tribunal ('NCLT') vide its order dated January 09, 2025, Synegra has been amalgamated with the Company. While the appointed date of the Scheme is April 01, 2024, the Scheme is effective January 31, 2025 i.e. on the day of filing the certified copy of the order of NCLT with the Jurisdictional Registrar of Companies. Accordingly Authorised capital of the Comapny has been increased in accordance with the 'Scheme'.

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding at the beginning of the year	99,75,000	99,75,000
Add: Issued during the year	-	-
Less: Buyback during the year	-	-
Outstanding at the end of the year	**99,75,000**	**99,75,000**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 2/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of company, the equity shareholders are entitled to receive the remaining assets of the company after distributions of all preferential amounts, in proportion to their shareholding.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 20: EQUITY SHARE CAPITAL (CONTD.)

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No of shares	% of holding	No of shares	% of holding
Mr. Kamalaksha R. Naik	49,50,783	49.63%	49,45,214	49.58%
Ms. Arati K. Naik	9,34,833	9.37%	9,34,833	9.37%
Dr. Lakshana A. Sharma	7,94,608	7.97%	7,94,608	7.97%
Mrs. Sudha K. Naik	4,67,417	4.69%	4,67,417	4.69%

(d) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	No of shares bought - back during the year	No of shares outstanding
31.03.2025	-	99,75,000
31.03.2024	-	99,75,000
31.03.2023	-	99,75,000
31.03.2022	33,25,000	99,75,000
31.03.2021	-	1,33,00,000

(e) As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(f) Details of Shares held by Promoters at the end of the year

Promoter Name	As at March 31, 2025		
	No. of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	49,50,783	49.63%	0.05%
Ms. Arati K. Naik	9,34,833	9.37%	-
Dr. Lakshana A. Sharma	7,94,608	7.97%	-
Mrs. Sudha K. Naik	4,67,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	-
K R Naik HUF	1,00,493	1.01%	-
Total	**72,66,025**	**72.85%**	

Promoter Name	As at March 31, 2024		
	No. of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	49,45,214	49.58%	1.46%
Ms. Arati K. Naik	9,34,833	9.37%	-
Dr. Lakshana A. Sharma	7,94,608	7.97%	-
Mrs. Sudha K. Naik	4,67,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	-
K R Naik HUF	1,00,493	1.01%	-
Total	**72,60,456**	**72.80%**	

(Amount in INR Lakhs, unless otherwise stated)

NOTE 21: OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve	5,567.20	5,567.20
Surplus in Statement of Profit and Loss account	12,009.34	11,755.66
Statutory Reserve	1,318.42	1,318.42
Capital Contribution	144.79	144.80
Capital Redemption Reserve	400.60	400.60
Capital Reserve	449.76	449.76
FVTOCI Reserve on defined benefit plans	(78.52)	(42.64)
Total	**19,811.59**	**19,593.80**

(A) General Reserve (GR)*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	5,567.20	5,567.20
Add: Transfer from Surplus in Profit and Loss account	-	-
Closing balance	**5,567.20**	**5,567.20**

* General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

(B) Surplus / (deficit) in the Statement of Profit and Loss *

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	11,755.66	11,203.89
Add: Net profit / (loss) for the year	253.68	615.87
Amount available for appropriations	12,009.34	11,819.76
Less : Appropriations		
Less: Transferred to Statutory Reserve	-	(64.10)
Closing balance	**12,009.34**	**11,755.66**

* This represents the cumulative profits of the Company. It will be utilized in accordance with the provisions of the Companies Act, 2013.

(C) Statutory Reserve (As per section 45 IC of the Reserve Bank of India Act 1934)*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,318.42	1,254.32
Add: Transfer from surplus in statement of profit and loss account	-	64.10
Closing balance	**1,318.42**	**1,318.42**

*This represents provision created under section 45-IC of the Reserve Bank of India Act, 1934. It will be utilized in accordance with the provisions of the Reserve Bank of India Act, 1934.

(D) Capital Contribution*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	144.80	144.79
Add / (less): Change during the year	(0.01)	0.01
Closing balance	**144.79**	**144.80**

* Represents impact of interest on loan to subsidiaries by promoters at lower than market rate of interest.

NOTE 21: OTHER EQUITY (CONTD.)

(E) Capital Redemption Reserve*

(Amount in INR Lakhs, unless otherwise stated)

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	400.60	400.60
Add / (less): Change during the year	-	-
Closing balance	**400.60**	**400.60**

*This is on account of transfer towards buyback of equity shares. It will be utilized in accordance with the provisions of the Companies Act, 2013.

(F) Capital Reserve*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	449.76	449.76
Add / (less): Change during the year	-	-
Closing balance	**449.76**	**449.76**

Refer Note 39 (a) (iii)

(G) FVTOCI Reserve on defined benefit plans*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(42.64)	(25.76)
Add / (less): Change during the year	(35.88)	(16.88)
Closing balance	**(78.52)**	**(42.64)**

* Represents remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in the other comprehensive income instead of profit and loss.

NOTE 22: BORROWINGS (NON- CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loan (Refer Note Below)	-	216.00
Less : Current maturity of long term loan	-	108.00
Total	**-**	**108.00**

Note:

Term loan from SIDBI was availed amounting to INR 270 lakhs carrying interest @ 8.25%. The term loan is repayable in 30 equal monthly instalments after a moratorium of 6 months. The same has been fully repaid during the year.

Term loan was secured by a first charge, by way of hypothecation of Plant and Machinery of INR 300 lakhs, lien on fixed deposit of INR 55 lakhs.

As per the loan sanction letter, the said loan was taken for the purpose of purchase of Plant & Machinery. The Company has used such borrowings for the purposes as stated in the loan sanction letter.

NOTE 23: OTHER FINANCIAL LIABILITIES (NON - CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits	46.52	43.86
Total	**46.52**	**43.86**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 24: PROVISIONS (NON - CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (funded) (Refer note 44)	71.98	25.69
Provision for leave encashment (unfunded)	20.03	15.40
Total	**92.01**	**41.09**

NOTE 25: BORROWINGS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowing measured at amortised cost		
Secured		
Book overdraft	0.24	-
Current maturity of long term loans	-	108.00
Unsecured		
Loan from director	-	500.00
Total	**0.24**	**608.00**

Note:

Secured Loan:

Overdraft with HDFC bank is secured, by a charge ranking pari passu, by way of hypothecation of all present and future Inventory and trade receivables, Lien on Fixed Deposit of the Company of INR 300.00 lakhs (Previous year INR 663.08 lakhs).

Company had availed Overdraft facility from ICICI bank, secured, by a charge ranking pari passu, by way of hypothecation of Invesco India Ultra Short Term Mutual Fund of NIL (Previous year INR 247.46 lakhs).

Unsecured Loan:

Loan from Director taken for a tenure of 365 days.

Net Debt Reconciliation

Analysis of net debts and movement in net debts for each of the period presented:

Particulars	As at March 31, 2025	As at March 31, 2024
Cash and Cash equivalents	4.47	43.90
Liquid Investments	10,806.88	13,631.16
Current Borrowings	(0.24)	(608.00)
Non-current borrowings	-	(108.00)
Net Debt	**10,811.11**	**12,959.06**

The details of financial and non financial assets pledged as security for current and non-current borrowings are disclosed in Note 42.

NOTE 26: TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	20.59	14.80
Total outstanding dues of creditors other than micro enterprises and small enterprises	857.10	1,335.94
Total	**877.69**	**1,350.74**

Note:

Payment towards trade payables is made as per the terms and conditions of the contract/purchase orders. Generally the average credit period on purchases is 30 to 60 days.

The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made in respect of such vendors to the extent they could be identified as micro, small and medium enterprises on the basis of information available with the Company.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 26: TRADE PAYABLES (CONTD.)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Outstanding principal amount and interest as on 31st March.		
- Principal Amount	20.89	21.12
- Interest due thereon	-	-
The amount of interest paid by the buyer in terms of section 16 of the MSMED Act, along with the amount of the payment made to the supplier beyond the appointed day during each accounting year.	0.12	0.20
The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act.	0.05	0.06
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.05	0.06
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of the said Act	-	-

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(i) MSME		
Unbilled Dues	-	-
Payable Not Due	20.59	19.85
Less than 1 year	-	1.27
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total MSME	**20.59**	**21.12**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(i) Others (undisputed)		
Unbilled dues	86.19	53.55
Payable not due	427.18	889.71
Less than 1 year	343.68	386.36
1-2 years	0.05	-
2-3 years	-	-
More than 3 years	-	-
Total Others	**857.10**	**1,329.62**
Total	**877.69**	**1,350.74**

NOTE 27: OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest accrued on delayed payment to MSME (Refer Note 26)	0.05	0.05
Interest accrued but not due on loans	-	6.12
Capital creditors	-	54.34
Employee payable	111.00	54.44
Rent deposits	0.50	0.50
Unpaid dividend*	-	1.84
Financial guarantee obligation	7.74	11.52
Asset retirement obligation	10.08	9.30
Total	**129.37**	**138.11**

* During the current year INR 1.79 lakhs was transferred to the Investor Education and Protection Fund.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 28: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	13.13	11.77
Rent received in advance	31.76	36.41
Total	**44.89**	**48.18**

NOTE 29: PROVISIONS CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (funded) (Refer note 44)	0.68	0.35
Provision for leave encashment (unfunded)	5.61	3.04
Total	**6.29**	**3.39**

NOTE 30: REVENUE FROM OPERATIONS

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Revenue from Contract with Customers		
Sale of manufactured products	9,093.81	8,275.96
Service Job Work	147.83	109.70
Other Operating Income		
Production linked incentive income (Refer note 64)	426.65	431.53
Sale of Scrap	28.22	28.26
Total	**9,696.51**	**8,845.45**

Geographical markets	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Exports	-	713.13
Domestic	9,696.51	8,132.32
Total revenue from contracts with customers	**9,696.51**	**8,845.45**

The Company derives its revenue from contract with customers for the transfer of goods and services at a point in time in a manner in which the Company transfers the control of goods and services to customers. The Company is engaged mainly in the business of manufacture, sale and servicing of networking products.

Contract Balances

Movement in contract Liabilities during the year	Advance from Customers	
	Current Year	Previous Year
Opening Balance	-	143.71
Less: Revenue Recognised	-	143.71
Add: Amount received	-	-
Closing Balance	**-**	**-**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 31: OTHER INCOME

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
On financial assets measured at amortised cost		
Interest on bonds	377.31	360.54
Interest on deposits with banks	67.65	95.06
Interest on deposits with financial institutions	101.12	108.63
Interest on inter corporate deposit	79.89	58.49
Interest income (MSME)	0.05	3.18
Interest on income tax refund	2.26	13.32
Fair value gain *	427.67	442.95
Guarantee commission income	14.63	14.77
Rental income	209.30	151.44
Foreign exchange gain - (net)	29.98	18.67
Profit on property, plant and equipment sold / written off (net)	-	4.11
Duty drawback	-	12.83
Sundry balances written back	-	0.18
Miscellaneous Income	2.44	1.70
Total	**1,312.30**	**1,285.87**

* Fair Value Gain includes unrealised amount of INR 40.11 lakhs (Previous year INR 216.62 lakhs)

NOTE 32: COST OF RAW MATERIALS CONSUMED

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Inventory at the beginning of the year	374.15	1,003.74
Add: Purchases	8,792.02	6,308.13
Less: Inventory at the end of the year	545.89	374.15
Total	**8,620.28**	**6,937.72**

NOTE 33: CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Inventories at the beginning of the year		
Finished goods	0.47	67.73
Work-in-progress	0.33	515.73
	0.80	**583.46**
Less: Inventories at the end of the year		
Finished goods	2.28	0.47
Work-in-progress	47.54	0.33
	49.82	**0.80**
Net Decrease / (increase) in inventories	**(49.02)**	**582.66**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 34: EMPLOYEE BENEFITS EXPENSES

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Salaries and wages	999.11	724.88
Contribution to provident and other funds (Refer Note 44)	24.65	20.54
Gratuity expenses (Refer Note 44)	3.75	7.11
Staff welfare expenses	46.73	42.57
Total	**1,074.24**	**795.10**

NOTE 35: FINANCE COSTS

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest on working capital loan	20.86	11.24
Interest on term loan	13.03	50.38
Interest on unsecured loan from director	16.90	38.40
Interest on lease liability	11.64	11.71
Interest on delayed payment of Income tax	0.12	-
Interest on delayed payment to MSME vendors	0.11	0.11
Interest on deposits	3.56	1.50
Interest on others	2.10	1.95
Total	**68.32**	**115.29**

NOTE 36: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Depreciation on property, plant and equipment (refer note 5)	255.05	234.19
Amortization on intangible assets (refer note 6)	-	-
Depreciation on investment property (refer note 7)	37.29	26.85
Total	**292.34**	**261.04**

NOTE 37: OTHER EXPENSES

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Consumption of store and spares	15.52	39.89
Repairs and maintenance		
Machinery	0.85	0.47
Others	47.28	70.05
Power and fuel expenses	139.17	128.70
Rent expenses	14.54	3.16
Rates and taxes	9.81	30.43
Insurance	23.18	23.91
Legal and professional charges	343.16	110.17
Product development expenses	185.84	-
Commission on sales	-	55.73
Travelling and conveyance expenses	43.80	55.15

(Amount in INR Lakhs, unless otherwise stated)

NOTE 37: OTHER EXPENSES (CONTD.)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Director's fees	24.87	25.18
Auditor's fees and expenses (Refer note below)	15.00	16.20
Annual maintenance expense	20.36	17.11
Software connectivity license/maintenance expenses	47.23	50.18
Office expenses	37.78	25.50
Miscellaneous expenses	69.72	57.17
Total	**1,038.11**	**709.00**

Note:

Payment to Auditors

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Charged to Auditor's fees and Expenses:		
Statutory audit fees including GST expensed	13.54	14.17
Reimbursement of expenses including GST expensed	0.59	0.34
	14.13	14.51
Other certification fees including GST expensed	0.87	1.69
Total	**15.00**	**16.20**

NOTE 38: INCOME TAX EXPENSE

(A) Deferred tax relates to the following:

Particulars	As At March 31, 2025	As At March 31, 2024
Deferred tax assets		
On account of timing difference in retiral and other employee benefits	24.74	12.61
On disallowance u/s 40a of Income Tax Act, 1961	2.15	3.09
On Brought forward taxable losses and unabsorbed depreciation	254.00	7.67
On others	10.69	3.00
	291.58	**26.37**
Deferred tax liabilities		
On property, plant and equipment	146.06	190.06
On account of fair value of financial assets designated at FVTPL	274.35	264.97
	420.41	**455.03**
Deferred tax liability (Net)	**128.83**	**428.66**

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Opening balance as of April 01	(428.66)	(365.72)
Tax assets / (liabilities) recognized in statement of profit and loss	287.76	(64.37)
Tax assets / (liabilities) recognized in OCI		
- On re-measurements gain of post-employment benefit obligations	12.07	1.42
Closing balance as at March 31	**(128.83)**	**(428.66)**

(Amount in INR Lakhs, unless otherwise stated)

(C) Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Tax liability	-	(64.37)
Tax asset	287.76	-
Deferred tax assets/ (liabilities) to be recognized in Statement of Profit and Loss	**287.76**	**(64.37)**

(D) Income tax expense reported in the statement of profit or loss

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
- Current tax	-	51.67
- Deferred tax charge / (income)	(287.76)	64.37
- Adjustments in respect of current income tax of previous year	(1.38)	(1.40)
Income tax expense reported in the statement of profit or loss	**(289.14)**	**114.64**

(E) Income tax expense charged / (credit) to OCI

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Net fair value (gain)/loss on debt securities	-	-
Net loss/(gain) on remeasurements of defined benefit plans	(12.07)	(1.42)
Income tax expense charged / (credit) to OCI	**(12.07)**	**(1.42)**

(F) Reconciliation of tax charge

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit before tax	(35.47)	730.47
Tax Rate	25.168%	25.168%
Income tax expense at tax rates applicable	(8.93)	183.84
Tax effects of:		
- Brought forward taxable business losses and unabsorbed depreciation	(254.00)	(74.85)
- Leasehold land amortisation not claimed in Income tax	2.03	2.03
- Others	(26.85)	5.01
Earlier year adjustment	(1.38)	(1.40)
Income tax expense	**(289.14)**	**114.64**

NOTE 39: BUSINESS COMBINATION

a)

i) During the year, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated January 09, 2025 has approved the 'Scheme of Amalgamation ('Scheme')' of a Subsidiary namely Synegra EMS Limited (Synegra) (Transferor Company) with the Company (Transferee Company) with appointed date April 01, 2024. The Company has filed the certified copy of the said order along with the requisite form with the Registrar of Companies, Goa on January 31, 2025 (effective date). There is no consideration towards the 'Scheme'.

ii) The 'Scheme' has accordingly been given effect in the financial statements of the Company from the appointed date. Accordingly, the figures presented in the financial statements are after giving effect to the said Scheme. The 'Scheme' being a common control transaction, as per the requirement of Appendix C of Ind AS 103 on Business Combinations, the pooling of interest method has been applied and the comparative figures have been restated for the accounting impact of the Scheme.

iii) The difference between the consideration and the value of net assets and reserves and surplus of Synegra transferred to the Company has been adjusted against the capital reserves account of the Company, in accordance with the 'Scheme'.

(Amount in INR Lakhs, unless otherwise stated)

iv) The effects of the 'Scheme' has been accounted for in the books of accounts of the Company in accordance with the Scheme and is in accordance with the Indian Accounting Standards.

v) Scheme related cost amounting to INR 19.98 Lakhs has been included in note no. 37 under ' Legal and Professional expenses".

b) The financial statements for the earlier periods were prepared in accordance with Division III of Schedule III to the Companies Act, 2013, applicable to Non-Banking Financial Companies (NBFCs). Pursuant to the merger, the Company no longer meets the criteria of an NBFC. Accordingly, the financial statements for the current period have been prepared in accordance with Division II – Ind AS Schedule III to the Companies Act, 2013.

c) Pursuant to the merger, the following movements have been observed in the financials during the pre-merger and post-merger periods.

Particulars	Pre - Merger	Merger impact	Post - Merger
1. Total assets	21,157.26	1,553.50	22,710.76
2. Total liabilities	756.26	2,161.20	2,917.46
3. Net worth	20,401.00	(607.70)	19,793.30
4. Profit before tax	435.08	295.43	730.51

NOTE 40: EARNINGS/ LOSS PER SHARE

Basic earnings /(loss) per share amounts are calculated by dividing the profit/loss for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Ordinary equity shareholders		
Profit/ (Loss) attributable to ordinary equity holders	253.68	615.87
Weighted average number of equity shares	99.75	99.75
Face Value per share	2	2
Basic earnings per share (INR)	2.54	6.17
Diluted earnings per share (INR)	2.54	6.17

NOTE 41: CONTINGENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Disputed demands of custom duty INR 10.30 lakhs pending before the Customs Appeals (Amount deposited under protest INR 10.30 lakhs) in connection with classification of networking products. Appeal is decided against Company and in process of filing Appeal in CESTAT.	10.30	10.30
(ii) Disputed demand of income tax INR 12.20 lakhs pending before Income Tax Appeals in connection with disallowance of business expenditure of INR 58.16 lakhs. (Pre Deposit paid against the same INR 2.45 lakhs)	12.20	-
(iii) Bank guarantees given in favour of Electricity Department - Government of Goa	65.61	65.61
(iv) Corporate guarantees given in favour of banks on behalf of Digisol Systems Limited (Wholly owned subsidiary)		
HDFC Bank Limited	3,000.00	3,000.00
Bajaj Finance Limited	-	2,000.00
(v) Mutual Fund pledged against overdraft facility obtained by Digisol Systems Limited (wholly owned subsidiary) for an amount not exceeding INR 500 lakhs. (refer note 13)	500.00	300.00
(vi) Mutual Fund pledged against overdraft facility obtained by The Company.	-	200.00
Total	**3,565.61**	**5,565.61**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 42: ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Current assets			
Bank balances other than cash and cash equivalent	15 and 16	300.00	631.63
Inventories	12	595.72	374.95
Trade receivables	14	1,913.81	1,109.29
Investments - mutual funds*	13	644.67	671.01
Total Current assets pledged as security		**3,454.20**	**2,786.88**
Non-Current assets			
Property, plant and equipment	5	-	300.00
Total Non-Current assets pledged as security		-	300.00
Total Assets pledged as security		**3,454.20**	**3,086.88**

* Mutual Fund pledged against overdraft facility for an amount not exceeding INR 500 lakhs in the current year and Previous year.

NOTE 43: CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account	310.44	166.98
Non-cancellation lease liabilities undiscounted basis net of liability recognised (Refer Note 45)	696.64	708.29

NOTE 44: EMPLOYEE BENEFITS

(A) Defined Contribution Plans

During the year, the Company has recognized the following amounts in the Statement of Profit and Loss:

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Employer's Contribution to Provident Fund and Pension Fund	21.05	16.46
Employer's contribution to National Penson Scheme	2.49	2.13
Employer's contribution to Employee State Insurance Scheme	1.08	1.80
Employer's contribution to Professional Tax	0.03	0.15
Total	**24.65**	**20.54**

(B) Defined benefit plans

a) Gratuity payable to employees

The Company has a defined benefit gratuity plan and governed by payment of Gratuity Act, 1972. Every employee who has completed five years or more of services is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of services. The scheme is funded through a policy with LIC.

Particulars	As at March 31, 2025	As at March 31, 2024
i) Actuarial assumptions		
Discount rate (per annum)	6.66%	6.97%
Rate of increase in Salary	8.00%	6.00%
Expected average remaining working lives of employees (years)	13.05	12.66
Attrition rate	PS: 0 to 5 : 5% PS: 5 to 40 : 0%	PS: 0 to 5 : 5% PS: 5 to 40 : 0%
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult

(Amount in INR Lakhs, unless otherwise stated)

NOTE 44: EMPLOYEE BENEFITS (CONTD.)

Particulars	As at March 31, 2025	As at March 31, 2024
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	118.41	89.87
Interest cost	5.31	6.41
Current service cost	2.84	6.30
Benefits paid	(10.86)	(3.22)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	29.29	13.91
Actuarial (gain)/ loss on obligations - Due to experience	21.16	5.14
Present value of obligation at the end of the year	**166.15**	**118.41**
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	92.37	79.24
Interest Income	4.40	5.60
Contributions by employer	5.08	10.00
Benefits paid	(10.86)	(3.22)
Return on plan assets excluding interest income	2.50	0.75
Closing fair value of plan assets	**93.49**	**92.37**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	2.84	6.30
Interest cost (net)	0.91	0.81
Total expenses recognized in the Statement Profit and Loss*	**3.75**	**7.11**

*Included in Employee benefits expense (Refer Note 34).

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
v) Expense recognized in Other comprehensive income		
Actuarial (gain) / loss on Obligation for the period	50.45	19.05
Return on plan assets excluding interest income	(2.50)	(0.75)
Net actuarial (gains) / losses recognised in OCI	**47.95**	**18.30**

Particulars	As at March 31, 2025	As at March 31, 2024
vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of obligation as at the end of the year	166.15	118.41
Fair Value of Plan Assets at the end of the year	93.49	92.37
Net asset / (liability) recognized in Balance Sheet*	**(72.66)**	**(26.04)**

*liability Included in provision (Refer note 24 and 29)

vii) Expected contribution to the fund in the next year INR 15.28 lakhs

(Amount in INR Lakhs, unless otherwise stated)

NOTE 44: EMPLOYEE BENEFITS (CONTD.)

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Impact on Present Value obligation	For the Year Ended March 31, 2025		For the Year Ended March 31, 2024	
	+1%	-1%	+1%	-1%
Change in discount rate	152.47	181.83	107.93	130.39
Change in salary escalation rate	181.43	152.54	130.35	107.78

ix) Maturity profile of defined benefit obligation

Years	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Year 1	0.69	0.52
Year 2	8.95	0.61
Year 3	6.18	7.64
Year 4	17.80	5.81
Year 5	31.73	7.46
Year 6 to 10	63.14	71.45

(b) Leave encashment

Particulars	As at March 31, 2025	As at March 31, 2024
Actuarial assumptions		
Discount rate (per annum)	6.66%	7.20%
Rate of increase in Salary	8.00%	6.00%
Expected average remaining working lives of employees (years)	13.05	13.07
Attrition rate	PS: 0 to 5 : 5% PS: 5 to 40 : 0%	PS: 0 to 5 : 5% PS: 5 to 40 : 0%
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult

NOTE 45: LEASES

(A) Operating leases where Company is a lessee:

When the intermediate lessor enters into the sublease which is classified as Operating lease, It retains the lease liability and the right-of-use asset relating to the head lease in its statement of financial position. During the term of the sublease, the intermediate lessor: Recognises a depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sublease.

Following are the changes in the carrying value of right of use assets for the year ended 31 March:

Particulars	Land & Buildings
Balance as on April 01, 2023	**12.44**
Additions	30.05
Deletion	-
Depreciation	0.60
Balance as on March 31, 2024	**41.89**
Additions	-
Deletion	-
Depreciation	0.60
Balance as on March 31, 2025	**41.29**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 45: LEASES (CONTED)

The following is the movement in lease liabilities during the year ended March 31:

Particulars	Amount
Balance as on April 01, 2023	**147.31**
Additions	-
Deletion	-
Finance cost accrued during the period	11.71
Payment of lease liabilities	(11.59)
Balance as on March 31, 2024	**147.43**

Particulars	Amount
Balance as on April 01, 2024	**147.43**
Additions	-
Deletion	-
Finance cost accrued during the period	11.64
Payment of lease liabilities	(11.58)
Balance as on March 31, 2025	**147.49**

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	11.59	11.59
One to five years	57.93	57.93
More than five years	774.61	786.20
Total	**844.13**	**855.72**

The Company does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease rentals paid on short term leases for current year INR 3.55 lakhs (March 31, 2024 INR 3.60 lakhs)

(B) Operating leases where Company as a lessor:

The Company has entered into cancellable operating leases on its investment property portfolio consisting of certain office and manufacturing buildings. These leases have terms of between 11 months to 60 months. Certain leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The total rental income on assets given on operating leases amounts to INR 209.30 lakhs for the year ended March 31, 2025 (March 31, 2024 INR 151.44 lakhs).

Future minimum rentals receivables under operating leases as at March 31 are, as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Within one year	239.34	150.35
After one year but not more than five years	489.62	372.47
More than 5 years	456.97	-

(Amount in INR Lakhs, unless otherwise stated)

NOTE 46: RELATED PARTY DISCLOSURES:

(A) Names of related parties and description of relationship as identified and certified by the Company:

Subsidiary Companies

Digisol Systems Limited

Enterprise over which key management person is able to exercise significant influence

Mr. Kamalaksha R. Naik (HUF)

Epicurious Hospitality LLP

Key Management Personnel (KMP)

Mr. Kamalaksha R. Naik - Executive Chairman

Mr. Krishnanand M. Gaonkar - Non Executive Independent Director (retired w.e.f. March 31, 2024)

Mr. Pankaj M. Baliga - Non Executive Independent Director (retired w.e.f. March 31, 2024)

Mr. Bhanubhai R. Patel - Non Executive Independent Director (retired w.e.f. September 08, 2024)

Mr. Pradeep A. Rane - Non Executive Independent Director

Ms. Arati K. Naik - Executive Director

Mr. Nitin Kunkolienker - Non-Executive Independent Director (appointed w.e.f. February 10, 2025)

Mr. C. M. Gaonkar - Non Executive Independent Director (appointed w.e.f. May 9, 2024)

Mr. Satish Godbole - Non Executive Independent Director (appointed w.e.f. March 31, 2024)

Dr. Lakshana A. Sharma – Non Executive Non Independent Director (appointed w.e.f. March 31, 2024)

Mr. K. G. Prabhu - Chief Financial Officer

Ms. Urjita Damle - Company Secretary (Resigned w.e.f. August 11, 2024)

Mr. Edlan Fernandes - Company Secretary (Appointed w.e.f August 12, 2024)

Relatives of key management personnel:

Ms. Arati K. Naik

Mrs. Sudha K. Naik

Dr. Lakshana A. Sharma

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel
Digisol Systems Limited						
Sale of Manufactured Products	7,342.39	-	-	6,708.33	-	-
Rent Income	52.80	-	-	52.80	-	-
Interest Income on Inter Corporate Deposit	79.88	-	-	58.49	-	-
Interest Income	0.05	-	-	3.18		
Purchase of goods	284.94	-	-	190.77		
Rent Expense	8.10	-	-	4.50	-	-
Inter Corporate Deposit given to	4,700.00	-	-	3,340.00	-	-
Inter Corporate Deposit repaid by	3,900.00	-	-	3,340.00	-	-
Shares issued at premium by	-	-	-	164.82	-	-
Mr. Kamalaksha R. Naik						
Repayment of Director Loan	-	-	500.00	-	-	600.00
Interest on Loan	-	-	16.90	-	-	38.40

(Amount in INR Lakhs, unless otherwise stated)

NOTE 46: RELATED PARTY DISCLOSURES (CONTD.)

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel
Managerial Remuneration						
Mr. K. G. Prabhu						
Short-term employee benefits	-	-	51.63	-	-	50.28
Post-employment benefits	-	-	0.22	-	-	0.22
Mr. Edlan Fernandes						
Short-term employee benefits	-	-	9.21	-	-	-
Post-employment benefits	-	-	0.22	-	-	-
Ms. Urjita Damle						
Short-term employee benefits	-	-	11.20	-	-	17.32
Post-employment benefits	-	-	0.22	-	-	0.22
Director Sitting Fees						
Mr. Krishnand M. Gaonkar	-	-	-	-	-	7.05
Mr. Pankaj M. Baliga	-	-	-	-	-	5.05
Mr. Pradeep A. Rane	-	-	5.50	-	-	3.50
Mr. Bhanubhai R. Patel	-	-	4.05	-	-	6.00
Mr. Satish Godbole	-	-	7.05	-	-	-
Mr. C. M. Gaonkar			3.50			-
Dr. Lakshana A. Sharma	-	-	1.50	-	-	-
Mr. Nitin Kunkolienker	-	-	2.00	-	-	2.00
Security given during the year on behalf of Digisol Systems Limited						
Pledge on units of Mutual Fund	644.67	-	-	423.55	-	-
Bank Guarantee given during the year	3,000.00	-	-	5,000.00	-	-
Bank Guarantee revoked during the year	5,000.00	-	-	5,000.00	-	-
Amount of Corporate Guarantee given and outstanding as on:						
Digisol Systems Limited	3,000.00	-	-	5,000.00	-	-

(C)

Particulars	For the year ended March 31, 2025			For the year ended March 31, 2024		
	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel	Subsidiary	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel
Amounts due from as at the year end						
Digisol Systems Limited						
(i) Trade Receivables	1,839.80	-	-	751.99	-	-
(ii) Loans (inter corporate deposit)	800.00	-	-	-	-	-
(iii) Accrued interest on inter corporate Deposit	2.02	-	-	-	-	-
Amount due to related party as on:						
Digisol Systems Limited	0.30	-	-	6.31	-	-
Mr. Kamalaksha R. Naik	-	-	-	-	-	500.00

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 47: SEGMENT REPORTING

The Executive-Chairman of the Company acts as the chief operating decision maker (CODM) of the Company in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions. During the year the company has surrendered its NBFI - non deposit taking license to the Reserve Bank of India, subsequent to merger of its Subsidiary. Accordingly, the Company's business activities are mainly related to developing, manufacturing, marketing, distributing and servicing networking products. These networking products are sold to distributors, Original Equipment Manufacturers (OEM's) and System Integrators (SI) ,which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM.

The information based on geographical areas in relation to revenue and non-current assets are as below:

(A) Revenue from operations

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Within India	9,696.51	8,132.32
Outside India	-	713.13
Total	**9,696.51**	**8,845.45**

(B) Non-current operating assets

All non–current assets other than financial instruments, deferred tax assets of the company are located in India.

(C) Details of customers contributing to more than 10% of total revenue are as below

Name	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Customer A	7,342.44	6,708.33
Customer B	1,769.74	816.84

NOTE 48: FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, trade and other short-term receivables, trade payables, other current liabilities and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.
3. The fair value of Lease liabilities are calculated based on cash flows discounted using a current lending rate. They are classified at level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

NOTE 49: FAIR VALUE HIERARCHY

The fair value of financial instruments as referred to above have been classified into three categories depending on the inputs used in the valuation technique. The hierarchy gives the highest priority to quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

- Level 1 - Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments, traded bonds that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.
- Level 2 - The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximise the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2. The fair value of Mutual funds and FVOCI bonds and preference shares are based on published net assets values or other observable market data. They are classified at level 2 in the fair value hierarchy.
- Level 3 - If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 49: FAIR VALUE HIERARCHY (CONTD.)

Fair value measurement hierarchy of assets and liabilities

Particulars	Fair value hierarchy	As at March 31, 2025	As at March 31, 2024
Financial assets measured at amortized cost			
Investments in Debt securities	Level 2	3,982.49	4,728.00
Fixed Deposits	Level 3	1,768.68	2,191.89
Security Deposits	Level 3	14.21	8.28
Cash & cash equivalents	Level 3	4.47	43.90
Loans	Level 3	801.89	1.40
Bank balance other than cash & cash equivalents.	Level 3	320.52	620.31
Financial assets measured at fair value			
Financial assets measured at fair value through profit or loss			
Investments in mutual funds	Level 2	5,173.34	6,931.33
Trade receivables	Level 3	1,913.81	1,109.29
Financial liabilities measured at amortized cost			
Borrowings	Level 3	0.24	716.00
Security Deposits	Level 3	0.50	0.50
Lease Liabilities	Level 3	147.49	147.43
Financial guarantee obligation	Level 3	7.74	11.52
Asset retirement obligation	Level 3	10.08	9.30
Trade Payable	Level 3	877.69	1,350.74

There have been no transfers between Level 1 and Level 2 during the period

NOTE 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Company's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Company does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of interest rate risk, price risk and currency risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Company's position with regards to interest income, treasury team manages the interest rate risk by diversifying its portfolio across tenures. The Company does not have exposure to the risk of changes in market interest rates as the Company's long-term debt obligations are with fixed interest rates.

(ii) Price risk

The Company's exposure to securities risk arises from investments held by the Company and classified in the Balance Sheet as fair value through OCI.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the Company's functional currency).

(a) The Company's exposure to foreign currency risk at the end of the year is as follows

Particulars	Currency	As at March 31, 2025	As at March 31, 2024
Trade Payables	USD	390.10	836.41

(Amount in INR Lakhs, unless otherwise stated)

NOTE 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

(b) Foreign Currency Sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease against the US Dollar /JPY. 1% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.

Particulars	As at March 31, 2025	As at March 31, 2024
Impact of 1% strengthening against USD - Decrease in loss	3.90	8.36
Impact of 1% weakening against USD- Increase in loss	3.90	8.36

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily arises from cash equivalents, trade receivables, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss or other comprehensive income. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the credit worthiness of these counterparties on an on-going basis. Counterparty limits may be updated as and when required subject to approval of Board of Directors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amounts as mentioned in Note 8, 9, 13,14,15,16,17 and 18.

(C) Liquidity risk

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. The Company believes that its working capital is sufficient to meet the financial liabilities within maturity period. Additionally, the Company has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence, the Company carries a negligible liquidity risk.

The table below summarizes the maturity profile of the Company's financial liabilities:

Particulars	Less than 3 months	3 to 12 months	1 year to 5 years	More than 5 years	Total
As at 31st March, 2025					
Short term borrowings	0.24	-	-	-	0.24
Long-term borrowings	-	-	-	-	-
Lease Liability	0.02	0.01	0.21	147.25	147.49
Trade payables	877.69	-	-	-	877.69
Other financial liabilities	174.26	-	-	-	174.26
	1,052.21	**0.01**	**0.21**	**147.25**	**1,199.68**
As at 31st March, 2024					
Short term borrowings	527.00	81.00	-	-	608.00
Long-term borrowings	-	-	108.00	-	108.00
Lease Liability	0.02	0.01	0.20	147.20	147.43
Trade payables	1,350.74	-	-	-	1,350.74
Other financial liability	186.29	-	-	-	186.29
	2,064.05	**81.01**	**108.20**	**147.20**	**2,400.46**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 51:

The Company has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

NOTE 52: INTANGIBLE ASSETS UNDER DEVELOPMENT

The Company does not have any Intangible assets under development during the current year and the previous year.

NOTE 53: DETAILS OF BENAMI PROPERTY HELD

The Company does not have any Benami property, where any proceeding has been initiated or pending against the company for holding any Benami property.

NOTE 54: RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS OR FINANCIAL INSTITUTIONS

Monthly returns / statements filed with such Banks/ financial institutions are in agreement with the books of account.

NOTE 55: WILFUL DEFAULTER

The Company has not been declared a wilful defaulter by any bank or financial Institution.

NOTE 56: RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956.

The Company does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956.

NOTE 57: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Company does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

NOTE 58: COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The company has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

NOTE 59: UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

(i) The Company has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the company (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries.

(ii) The Company has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Company shall:

  (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

  (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 60: RATIOS

Sr. No.	Ratio	Formula	March 31, 2025 Numerator	March 31, 2025 Denominator	March 31, 2024 Numerator	March 31, 2024 Denominator	Ratio as on March 31, 2025	Ratio as on March 31, 2024	Variation (%)	Reason (If variation is more than 25%)
(a)	Current Ratio	Current Assets / Current Liabilities Current Assets = Total current assets Current Liabilities = Total current liabilities	11,443.69	1,070.06	11,790.40	2,160.00	10.69	5.46	96%	Change on account of repayment of borrowing and lower trade payables
(b)	Debt-Equity Ratio	Debt / Equity Debt = Borrowings (Current + Non Current) Equity = Equity share Capital + Other equity	0.24	20,011.09	716.00	19,793.30	0.00	0.04	-100%	Change on account of repayment of borrowing and increase in other equity on account of profit during the year
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service Net Operating income = P/L after Tax + Depreciation + Finance cost Debt Service = Finance cost + (Current Borrowings + Current lease liability)	614.34	80.14	992.20	734.87	7.67	1.35	468%	Change on account of repayment of current borrowing
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity Profit after tax less pref. Dividend = Profit/(Loss) for the year Shareholder's Equity = Equity share Capital	253.68	199.50	615.87	199.50	1.27	3.09	-59%	Reduction in profit during the year
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory Cost of Goods Sold = Cost of raw materials consumed + Changes in inventories of finished goods and work-in-progress Average Inventory = (Closing inventory + Opening Inventory)/2	8,571.26	509.92	7,520.38	1,007.67	16.81	7.46	125%	COGS increase on account of higher revenue during the year and better inventory management during the year
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables Net Credit Sales = Sale of manufactured products + Service Job Work Average Trade Receivables = (Closing Trade receivables + Opening Trade receivables)/2	9,241.64	1,511.55	8,385.66	651.25	6.11	12.88	-53%	Change on account of higher revenue during the period.
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables Net Credit Purchases = Purchases Average Trade Payables = (Closing Trade payable + Opening Trade payable)/2	8,792.02	1,114.22	6,308.13	1,333.93	7.89	4.73	67%	Changes due to early/ advance payment to vendors for goods purchase during the year.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital Revenue = Revenue from Operations Average Working Capital = ((Opening Current assets + Closing current assets)/2 + (Opening current liabilities + closing current liabilities)/2)	9,696.51	10,002.02	8,845.45	9,011.66	0.97	0.98	-1%	NA
(i)	Net Profit Ratio	Net Profit / Net Sales Net Profit = Profit/(Loss) before tax Net Sales = Revenue from Contract with Customers	(35.46)	9,269.86	730.51	8,413.92	(0.00)	0.09	-104%	on account of reduction in profit during the year
(j)	Return on Capital Employed	EBIT / Capital Employed EBIT = Profit/(Loss) before tax + Finance cost Capital Employed = Total Assets - Total Current liabilities	32.86	20,414.36	845.80	20,550.76	0.00	0.04	-96%	Decrease on account of lower profit during the year
(k)	Return on Investment	Net Profit / Net Investment Net Profit = Profit/(Loss) before tax Net Investment = Total equity	(35.46)	20,011.09	730.51	19,793.30	(0.00)	0.04	-105%	Decrease on account of lower profit during the year

(Amount in INR Lakhs, unless otherwise stated)

NOTE 61: UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

NOTE 62: DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the years ended March 31, 2025 and March 31, 2024.

NOTE 63: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to safeguard the Company's ability to remain as a going concern and maximise the shareholder value.

The Company manages its capital structure and makes adjustments in light of changes in economic conditions, annual operating plans, long term and other strategic plans and the requirements of the financial covenants. To maintain or adjust the capital structure, the Company may adjust its dividend payment ratio to shareholders, return capital to shareholders or issue fresh shares.

The Company monitors capital using a ratio of 'adjusted net debt' to 'equity'. For this purpose, adjusted net debt is defined as liabilities, comprising interest-bearing loans and borrowings less cash and cash equivalents. Equity comprises all components of equity including share premium and all other equity reserves attributable to the equity share holders.

The Company's adjusted net debt to equity ratio are as follows.

Particulars		As at March 31, 2025	As at March 31, 2024
Equity	(i)	199.50	199.50
Borrowings		0.24	716.00
Less: cash and cash equivalents		(4.47)	(43.90)
Adjusted Net Debt	(ii)	**(4.23)**	**672.10**
Adjusted Net Debt to Equity ratio	(ii)/ (i)	**-2%**	**337%**

NOTE 64: GOVERNMENT GRANTS

The company had received approval under the Production Linked Incentive (PLI) to promote Telecom and Networking Products manufacture in India (the PLI scheme) on October 31, 2022 from the Competent Authority. During the year ended March 31, 2025 on fulfilment of the conditions for eligibility of incentive under the PLI scheme, the Company has recognised incentive of INR 426.65 lakhs (Previous year INR 431.53 lakhs).

There are no amounts towards unfulfilled conditions and other Contingencies attached to the grant that have been recognised during the financial year ended March 31, 2025 (Previous year INR NIL).

NOTE 65:

The provisions of section 135 of Companies Act 2013, was not applicable to the Company and as such it was not required to spend 2% of average net profits made during the three immediately preceding financial years (March 31, 2024: NIL). The Company has spent NIL (March 31, 2024: NIL) towards Corporate Social Responsibility activities as under:

	Particulars	As at March 31, 2025	As at March 31, 2024
A.			
	Gross Amount required to be spent as per Section 135 of the Act	-	-
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	-	-
B.	Amount approved by the Board to be spent during the year	-	-
C.	**Amount spent during the year on**		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	-	-

(Amount in INR Lakhs, unless otherwise stated)

NOTE 65: (CONTD.)

D. Details related to amount spent

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above		
- Education purpose	-	-
Total	-	-

E. Details of excess CSR expenditure

Nature of Activity	Balance excess as at April 01, 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2025
- On purpose other than Construction / acquisition of any asset	0.49	-	-	0.49

Nature of Activity	Balance excess as at April 01, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2024
- On purpose other than Construction / acquisition of any asset	0.49	-	-	0.49

F. Disclosures on Shortfall

Particulars	March 31, 2025	March 31, 2024
Amount Required to be spent by the Company during the year	-	-
Actual Amount Spent by the Company during the year	-	-
PY Excess adjusted during the CY	(0.49)	(0.49)
Shortfall/(Excess) at the end of the year	(0.49)	(0.49)
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	-	-

NOTE 66:

Disclosure requirement as per regulation 34(3) of SEBI LODR Rules, 2015

Particulars	As at March 31, 2024	As at March 31, 2024
Loans and advances in the nature of loans to subsidiaries by name and amount.	800.00	-
Inter Corporate deposit given to Digisol Systems Limited INR 4,700 lakhs and repaid INR 3,900 during the year		
Loans and advances in the nature of loans to associates by name and amount.	-	-
Loans and advances in the nature of loans to firms/companies in which directors are interested by name and amount.	-	-
Investments by the loanee in the shares of parent company and subsidiary company, when the company has made a loan or advance in the nature of loan.	-	-

NOTE 67:

As at March 31, 2025, the Company did not have any outstanding long term derivative contracts (previous year INR NIL).

NOTE 68:

There were no whistleblower complaints received during the FY 2024-25.

NOTE 69:

The Company does not have any scheme of arrangement which has an accounting impact on current or previous financial year.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 70:

Disclosures required by Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Section 186 (4) of the Companies Act, 2013.

(a) Amount of loans / advances in nature of loans outstanding from subsidiaries on a standalone basis

Particulars	As at	Balance outstanding	Maximum amount outstanding during the year
Inter Corporate Deposit given to			
Digisol Systems Limited	31-Mar-25	800.00	1,400.00
(Loan for meeting working capital requirement)	31-Mar-24	(-)	(1,175.00)
Corporate Guarantee given			
Digisol Systems Limited	31-Mar-25	3,000.00	5,000.00
(Guarantee given for availment of working capital loan from Banks)	31-Mar-24	(5,000.00)	(5,000.00)

(b) Details of Investments made are given in note 8.

NOTE 71:

As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained evolved during the year and continues to evolve.

The Company uses an accounting software and a payroll application for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software and the payroll application, except that the audit trail feature is not enabled at the database level for the accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software and payroll application. The audit trail of prior year has been preserved by the service provider as per the statutory requirements for record retention.

NOTE 72: EVENT AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Independent Auditor's Report

TO THE MEMBERS OF SMARTLINK HOLDINGS LIMITED
Report on the Audit of the Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of Smartlink Holdings Limited (hereinafter referred to as the "Holding Company") and its subsidiary (Holding Company and its subsidiary together referred to as "the Group"), which comprise the Consolidated Balance Sheet as at March 31, 2025, and the Consolidated Statement of Profit and Loss (including the Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flows for the year then ended, and notes to the Consolidated Financial Statements, including a summary of material accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, and based on consideration of reports of other auditors on separate financial statements and on the other financial information of subsidiary, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 ("the Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015 as amended and other accounting principles generally accepted in India, of their consolidated state of affairs of the Group as at March 31, 2025, of its consolidated profit and other comprehensive income, consolidated changes in equity and its consolidated cash flows for the year then ended.

Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in India in terms of the Code of Ethics issued by Institute of Chartered Accountant of India ("ICAI"), and the relevant provisions of the Act and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

Emphasis of Matter

We draw attention to Note 39 to the Statement, which describes the merger of Smartlink Holdings Limited ("the Company") with its wholly owned subsidiary, Synegra EMS Limited ("Synegra"), pursuant to the Scheme of Amalgamation ("the Scheme") sanctioned by the Hon'ble National Company Law Tribunal ("NCLT") vide its order dated January 09, 2025. As per the requirement of Appendix C of Ind AS 103 – Business Combinations, the accounting treatment for the merger has been given effect retrospectively from the beginning of the preceding period presented, i.e., April 1, 2023. The difference between the value of net assets and reserves and surplus of Synegra transferred to the Company has been adjusted against the capital reserves account of the Company, in accordance with the 'Scheme'. Consequently, the comparative figures for the year ended March 31, 2024, have been restated to reflect the impact of the merger.

The comparative financial information of the Synegra for the year ended March 31, 2024 prepared prior to effective date of business combination referred to in Note 39 of the Statement were audited by the predecessor auditor. The adjustment made to the previously issued financial information to company with the Ind AS 103 - Business Combinations have been reviewed by us.

Our opinion is not modified in respect of this matter.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements for the year ended March 31, 2025. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

1. Revenue Recognition from Networking Products

Refer the disclosure related to Revenue recognition in Note 29 to the accompanying Consolidated Financial Statements.

The Group is in business of manufacturing, sales and servicing of various Information technology (IT) hardware products.

Revenue from sale and servicing of networking products is recognised net of returns and trade discounts. The Group recognises revenue when performance obligations as per the underlying contracts are satisfied in accordance with Ind AS 115 - Revenue from Contract with Customers ('Ind AS 115'). The terms set out in the Group's sales contracts are varied which affect the timing of revenue recognition.

We have identified Revenue recognition from networking products as a Key Audit Matter because Ind AS 115 involved assessing if distinct performance obligations exists under each type of the contracts and ensuring that the revenue is recognised in the appropriate period in which contractual obligation is satisfied.

Our audit procedures to assess the recognition of revenue from Networking Products included the following:

- Obtained an understanding and assessed the design, implementation and operating effectiveness of internal controls over identification of the contractual obligation existence, accuracy and timing of revenue recognition.
- Verified the contracts on test check basis to identify performance obligations under the contract and to assess whether revenue is recognised in the period in which the performance obligation is satisfied.
- Performed substantive transactional testing on test check basis.
- Performed substantive analytical procedures considering the revenue trends of the previous years and the relationship between revenue and other financial statement line items.
- Reconciled the revenue with sales register.
- Performed cut-off testing to validate the timing of revenue recognition determined by management.
- Verified the completeness and accuracy of the disclosures.

2. Valuation of *Investments in Bonds and Mutual Funds

Refer Note 8 & 13 to the consolidated financial statements.

As at March 31, 2025, the Holding Company has investments of Rs. 9,155.83 Lakhs in mutual funds and bonds which constitutes about 37.21% of the total assets of the Group. During the year, the Holding Company has recognised Rs. 427.66 Lakhs as fair value gain in the statement of Profit and Loss as per requirements of Ind AS 109 Financial Instruments .

Due to significance of amount involved, we have considered this as Key Audit Matter.

Our audit procedures to assess the Valuation of Investment in Bonds and Mutual Funds included the following:

- Obtained an understanding and assessed the design, implementation and testing of the operating effectiveness of internal controls over the existence, valuation and classification, in mutual funds and bonds.
- Verified the demat account and statement of holdings to confirm existence and accuracy of Bonds as at March 31, 2025.
- Verified the confirmations from Fund Houses and statements of holdings to confirm existence and accuracy of investments in Mutual Funds as on March 31, 2025.
- In respect of investments in mutual funds which are fair valued through profit or loss, performed independent price checks based on confirmation and statement of Net Asset Value (NAV) from mutual funds houses.
- In respect of investments in bonds which are valued at amortised cost, verified the deal sheets and computation of interest accrued.
- Evaluated the basis of classification of investments into the various categories of financial instruments.
- Verified the completeness and accuracy of the disclosures.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Holding Company's Board of Directors is responsible for the other information. The other information comprises the information included in Director's Report, but does not include the consolidated financial statements and our auditor's report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under section 133 of the Act. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Board of Directors of the companies included in the Group are responsible for assessing the ability of the Group to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

The respective Board of Directors of the companies included in the Group are responsible for overseeing the financial reporting process of the Group.

Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Standards on Auditing ("SAs") will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Holding Company has internal financial controls with reference to financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the ability of the Group to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

We communicate with those charged with governance of the Holding Company and such other entities included in the consolidated financial statements of which we are the independent auditors regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements for the year ended March 31, 2025 and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Other Matters

(a) We did not audit the financial statements of One subsidiary whose financial statements reflect total assets (before consolidation adjustment) of Rs. 9,226.57 lakhs as at March 31, 2025, total revenue (before consolidation adjustment) of Rs. 19,417.68 lakhs and total net profit after tax (before consolidation adjustment) of Rs. 459.91 lakhs and net cash inflow (before consolidation adjustment) amounting to Rs. 66.52 lakhs for the year ended on that date, as considered in the consolidated financial statements, whose financial statements have not been audited by us. This financial statement have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these subsidiary and our report in terms of sub-section (3) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary, is based solely on the reports of the other auditors.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143(3) of the Act, we report, to the extent applicable, that:
   a. We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
   b. In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors except for the matters stated in the paragraph 1(h)(vi) below on reporting under Rule 11(g).
   c. The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and the Consolidated Statement of Cash Flow dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
   d. In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act read with Companies (Indian Accounting Standards) Rules, 2015.
   e. On the basis of the written representations received from the directors of the Holding Company as on March 31, 2025 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies, incorporated in India, none of the directors of the Group companies incorporated in India are disqualified as on March 31, 2025 from being appointed as a director in terms of Section 164 (2) of the Act.
   f. The representation relating to the maintenance of accounts and other matters connected therewith are as stated in the paragraph 1(b) above on reporting under Section 143(3)(b) and paragraph 1(h)(vi) below on reporting under Rule 11(g) of the Companies (Audit and Auditors) Rules, 2014.
   g. With respect to the adequacy of internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in "Annexure A".
   h. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
      i. The Company have disclosed the impact of pending litigations on its financial position in the consolidated financial statements as at March 31, 2025 (refer note 41 to the consolidated financial statements).
      ii. The Group did not have any material foreseeable losses, on long-term contracts including derivative contracts.
      iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company and its subsidiary companies incorporated in India.

iv.

(1) The Management of the Holding Company has represented that, to the best of it's knowledge and belief, no funds have been advanced or loaned or invested (either from borrowed funds or share premium or any other sources or kind of funds) by the Holding Company, and it's subsidiary company to or in any other persons / entities, including foreign entities ('Intermediaries'), with the understanding, whether recorded in writing or otherwise, that the Intermediaries have, whether directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Holding Company, and it's subsidiary company ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(2) The Management of the Holding Company has represented that, to the best of it's knowledge and belief, no funds have been received by the Holding Company, and it's subsidiary companies from any person(s) / entity(ies), including foreign entities ("Funding Parties"), with the understanding, whether recorded in writing or otherwise, that the Holding Company and it's subsidiary company have directly or indirectly, lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party ("Ultimate Beneficiaries") or provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries;

(3) Based on our audit procedures which we have considered reasonable and appropriate in the circumstances and according to the information and explanations provided to us by the Management of the Holding Company in this regard, nothing has come to our notice that has caused us to believe that the representations made by the Management of the Holding Company under sub-clause (1) and (2) contain any material misstatement.

v. The Holding Company and it's subsidiary company incorporated in India have not declared or paid dividend during the year and therefore reporting compliance with section 123 of the Act is not applicable.

vi. Based on our examination which included test checks, the Company has used an accounting software for maintaining its books of account which has a feature of recording audit trail (edit log) facility, except that no audit trail feature was enabled at the database level in respect of an accounting software to log any direct data changes.

Further, where enabled, audit trail feature has been operated for all relevant transactions recorded in the accounting software. Also, during the course of our audit, we did not come across any instance of audit trail feature being tampered with in respect of such accounting software. Additionally, the audit trail of prior year has been preserved by the Company as per the statutory requirements for record retention to the extent it was enabled and recorded in respective years.

The Company has also used another accounting software for maintaining its payroll records which is managed and maintained by a third-party software service provider. Our reporting on audit trail in respect of this software is basis the review of the independent service auditors report. The software has a feature of recording audit trail (edit log) facility and the same has been operated throughout the year for all the relevant transactions recorded in the software. Further, there has not been any instance of audit trail feature being tampered with and the audit trail of prior year has been preserved by the service provider as per the statutory requirements for record retention.

Refer Note 70 of the financial statements.

2. In our opinion, according to information, explanations given to us, the remuneration for the year ended March 31, 2025 paid by the Group to its directors is within the limits laid prescribed under Section 197 of the Act read with Schedule V to the Act.

3. According to the information and explanations given to us and based on the CARO reports issued by us for the Company and on consideration of CARO reports by statutory auditors of subsidiary associates included in the consolidated financial statements of the Company to which reporting under CARO is applicable, we report that there are no Qualifications/adverse remarks.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No. 120593
UDIN: 25120593BMHZKD9144

Place: Mumbai
Date : May 9, 2025

Annexure A to the Independent Auditor's Report

OF EVEN DATE ON THE CONSOLIDATED FINANCIAL STATEMENTS OF SMARTLINK HOLDINGS LIMITED FOR THE YEAR ENDED MARCH 31, 2025

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors' Report of even date to the Members of Smartlink Holdings Limited on the consolidated Financial Statements for the year ended March 31, 2025]

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

Opinion

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended March 31, 2025, we have audited the internal financial controls with reference to consolidated financial statements of Smartlink Holdings Limited (hereinafter referred to as "the Holding Company") and its subsidiary company, which are companies incorporated in India, as of that date.

In our opinion, and to the best of our information and according to the explanations given to us, the Holding Company and its subsidiary company is company incorporated in India, have, in all material respects, adequate internal financial controls with reference to consolidated financial statements and such internal financial controls with reference to consolidated financial statements were operating effectively as at March 31, 2025, based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI").

Management's Responsibility for Internal Financial Controls

The respective Board of Directors of the Holding company, its subsidiary company, which are company incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control with reference to consolidated financial statements criteria established by the respective companies considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the ICAI"). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

Auditor's Responsibility

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary company, which are company incorporated in India, based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") issued by the ICAI and the Standards on Auditing prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether internal financial controls with reference to consolidated financial statements was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the internal financial controls with reference to consolidated financial statements and their operating effectiveness. Our audit of internal financial controls with reference to consolidated financial statements included obtaining an understanding of internal financial controls with reference to consolidated financial statements, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements of the Holding company, its subsidiary company, which isa company incorporated in India.

Meaning of Internal Financial Controls with reference to Consolidated Financial Statements

A company's internal financial control with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of consolidated financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control with reference to consolidated financial statements includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorizations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorized acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

Inherent Limitations of Internal Financial Controls with reference to Consolidated Financial Statements

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial control with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Other Matters

Our aforesaid reports under Section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls with reference to consolidated financial statements insofar as it relates to one subsidiary company, which is a company incorporated in India, is based on the corresponding reports of the auditors of such company incorporated in India.

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No. 134427W

Abhishek Pachlangia
Partner
Membership No.: 120593
UDIN: 25120593BMHZKD9144

Place : Mumbai
Date : May 9, 2025

Consolidated Balance Sheet as at March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	As at March 31, 2025	As at March 31, 2024
ASSETS			
Non-current assets			
Property, plant and equipment	5	1,597.67	1,602.39
Other Intangible assets	6	-	-
Investment property	7	1,558.22	1,595.00
Financial assets			
(i) Investments	8	3,337.66	4,184.46
(ii) Other financial assets	9	153.01	251.66
Non - Current Tax Assets	10	201.53	199.64
Other non-current assets	11	346.23	542.38
Deferred tax assets (Net)	38	432.61	587.43
Total non-current assets		**7,626.93**	**8,962.96**
Current assets			
Inventories	12	2,969.03	2,244.09
Financial assets			
(i) Investments	13	7,148.70	8,826.37
(ii) Trade receivables	14	5,657.96	5,749.33
(iii) Cash and cash equivalents	15	71.36	44.26
(iv) Bank balance other than cash and cash equivalents	16	320.52	620.31
(v) Other financial assets	17	448.18	486.53
Other current assets	18	361.06	184.62
Total current assets		**16,976.81**	**18,155.51**
Total Assets		**24,603.74**	**27,118.47**
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	19	199.50	199.50
Other equity	20	19,432.00	18,828.11
Total equity		**19,631.50**	**19,027.61**
LIABILITIES			
Non-current liabilities			
Financial liabilities			
(i) Borrowings	21	-	108.00
(ii) Lease Liabilities	46	163.12	199.67
(iii) Other financial liabilities	22	46.52	43.86
Provisions	23	278.46	178.25
Deferred tax liabilities (Net)	38	128.83	428.65
Total non-current liabilities		**616.93**	**958.43**
Current liabilities			
Financial liabilities			
(i) Borrowings	24	117.25	2,755.37
(ii) Lease Liabilities	46	106.92	99.58
(iii)Trade payables	25		
Total outstanding dues of micro enterprises and small enterprises		26.48	17.76
Total outstanding dues of creditors other than micro enterprises and small enterprises		3,560.05	3,842.67
(iv) Other financial liabilities	26	425.38	320.00
Other current liabilities	27	73.48	70.59
Provisions	28	45.75	26.46
Total current liabilities		**4,355.31**	**7,132.43**
TOTAL LIABILITIES		**4,972.24**	**8,090.86**
TOTAL EQUITY AND LIABILITIES		**24,603.74**	**27,118.47**

See accompanying notes to the consolidated financial statements 1-72

The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Consolidated Statement of Profit and Loss for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	Note No.	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
INCOME			
Revenue from operations	29	21,452.63	19,817.24
Other income	30	1,191.01	1,177.17
Total income		**22,643.64**	**20,994.41**
EXPENSES			
Cost of raw material consumed	31	8,335.49	7,179.10
Purchase of stock-in-trade	32	9,631.01	8,524.54
Change in inventories of finished goods, work-in-progress and stock-in- trade	33	(551.82)	401.12
Employee benefits expenses	34	2,342.83	1,945.18
Finance costs	35	154.13	223.67
Depreciation and amortisation expense	36	373.13	346.46
Other expenses	37	1,825.70	1,504.49
Total expenses		**22,110.47**	**20,124.56**
Profit / (loss) before exceptional items and tax		**533.17**	**869.85**
Exceptional Items		-	-
Profit / (loss) before tax		**533.17**	**869.85**
Less: Tax Expense:			
- Current Tax		-	51.67
- Deferred Tax		(125.96)	113.63
- Tax Adjustments of earlier year		(1.38)	(1.40)
Total Tax Expense / (Credit)	38	**(127.34)**	**163.90**
Profit / (loss) for the year		**660.51**	**705.95**
Other Comprehensive Income			
A. Items that will not be reclassified to profit or loss			
Re-measurement gains / (loss) on defined benefit plan		(75.66)	(34.02)
- Income tax relating to above	38(E)	19.04	5.38
Other Comprehensive Income / (loss) for the year, net of tax		**(56.62)**	**(28.64)**
Total Comprehensive Income for the year		**603.89**	**677.31**
Profit / (Loss) for the year attributable to			
Equity holders of the parent		660.51	705.95
Non-controlling interest		-	-
Other comprehensive income for the period attributable to			
Equity holders of the parent		(56.62)	(28.64)
Non-controlling interest		-	-
Total comprehensive income for the year, net of tax, attributable to			
Equity holders of the parent		603.89	677.31
Non-controlling interest		-	-
Basic and diluted Earnings per share			
(Nominal value per share Rs 2)	40	6.62	7.08

See accompanying notes to the consolidated financial statements 1-72

The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
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Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Consolidated Statement of Cash Flow for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Cash flow from operating activities		
Net profit before tax	533.17	869.85
Adjustments for:		
Depreciation and amortisation expense	373.13	346.46
Profit on property, plant and equipment sold / written off (net)	-	(4.11)
EIR impact of security deposits and rent amortization	(1.58)	(1.47)
Interest on income tax refund	(2.78)	(14.41)
Provision for doubtful debts	11.87	(2.74)
Interest income	(547.66)	(570.47)
Net gain on fair value changes	(427.66)	(443.01)
Unrealised foreign exchange difference (net)	(11.68)	(3.74)
Sundry balances written off	0.09	(0.04)
Finance costs	154.13	223.67
Provision for warranty (net)	30.29	25.72
Operating profit / (loss) before working capital changes	**111.32**	**425.71**
Changes in working capital		
(Increase) / Decrease in inventories	(724.94)	1,086.82
(Increase) / Decrease in trade and other receivables	80.85	(1,702.28)
(Increase) / Decrease in other financial assets	23.47	(153.75)
(Increase) / Decrease in other non-financial assets	(28.99)	363.06
Increase / (Decrease) in trade payables	(263.61)	154.38
Increase / (Decrease) in other financial liabilities	162.38	(17.35)
Increase / (Decrease) in other non-financial liabilities	2.89	(107.44)
Increase / (Decrease) in provisions	13.55	0.72
Cash generated from / (used in) operations	**(623.08)**	**49.87**
Income tax (paid) / refund	13.20	(70.15)
Net cash flows used in operating activities (A)	**(609.88)**	**(20.28)**
Cash flow from Investing activities		
Purchase of property, plant and equipment and investment property	(337.26)	(319.37)
Proceeds from sale of property, plant and equipment and intangible assets.	-	4.11
Purchase of investment	(3,416.64)	(4,106.67)
Sale of investment	6,314.69	3,919.40
Investment in term deposits (having original maturity of more than 3 months)	(1,232.61)	(1,047.32)
Redemption / maturity of term deposit (having original maturity of more than 3 months)	1,654.83	1,530.61
Interest received	583.48	470.54
Net cash flow from / (used in) investing activities (B)	**3,566.49**	**451.30**
Cash flow from Financing activities		
Repayment of borrowings	(2,667.91)	(162.88)
Interest payments	(209.85)	(197.49)
Cash payment for the principal portion of lease payments	(51.70)	(67.34)
Net cash flows from / (used in) financing activities (C)	**(2,929.46)**	**(427.71)**
Net Increase / (Decrease) in cash and cash equivalents (A+B+C)	27.15	3.31
Cash and cash equivalents at the beginning of the year	44.26	40.91
Effect of exchange differences on restatement of foreign currency Cash and bank balance	(0.05)	0.04
Cash and cash equivalents at the end of the year	**71.36**	**44.26**
Cash and cash equivalents comprise		
Balances with banks		
On current accounts	68.37	21.60
Fixed deposits with maturity of less than 3 months	-	20.00
Cash on hand	2.99	2.66
Total cash and cash equivalents at end of the year	**71.36**	**44.26**

(i) The above Consolidated Statement of Cash flow has been prepared under the indirect method as set out in Ind AS 7 " Statement of Cash Flows".
(ii) Non Cash Movement in Financing Activity

Lease Liabilities	22.49	26.18

See accompanying notes to the consolidated financial statements 1-72
The accompanying notes are an integral part of the financial statements

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
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C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

Consolidated Statement of Changes in Equity for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

(I) EQUITY SHARE CAPITAL

Particulars	As at March 31, 2025		As at March 31, 2024	
	No. of shares	Amount	No. of shares	Amount
Opening	9,975,000	199.50	9,975,000	199.50
Add: Issued during the year	-	-	-	-
Less: Bought back during the year	-	-	-	-
Closing	**9,975,000**	**199.50**	**9,975,000**	**199.50**

(II) OTHER EQUITY

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Equity attributable to shareholders of the Company	Non Controlling Interest
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account				
Balance at April 01, 2023	92.95	1,254.32	400.60	5,567.20	10,888.05	(52.32)	-	18,150.80	-
Profit for the year	-	-	-	-	705.95	-	-	705.95	
Other comprehensive loss	-	-	-	-		(28.64)	-	(28.64)	-
Total Comprehensive Income / (loss) for the year	-	-	-	-	705.95	(28.64)	-	677.31	-
Transfer to Statutory Reserve	-	64.09	-	-	(64.09)	-	-	-	-
Balance at March 31, 2024	**92.95**	**1,318.41**	**400.60**	**5,567.20**	**11,529.91**	**(80.96)**	**-**	**18,828.11**	**-**

Particulars	Capital Contribution	Reserves and Surplus				FVTOCI Reserve on defined benefit plans	FVTOCI Reserve on Financial Instruments	Equity attributable to shareholders of the Company	Non Controlling Interest
		Statutory Reserve	Capital Redemption Reserve	General Reserve	Surplus in statement of profit and loss account				
Balance at April 01, 2024	92.95	1,318.41	400.60	5,567.20	11,529.91	(80.96)	-	18,828.11	-
Profit for the year	-	-	-	-	660.51	-	-	660.51	
Other comprehensive loss	-	-	-	-		(56.62)	-	(56.62)	-
Total Comprehensive Income / (loss) for the year	-	-	-	-	660.51	(56.62)	-	603.89	-
Transfer to Statutory Reserve	-	-	-	-	-	-	-	-	-
Balance at March 31, 2025	**92.95**	**1,318.41**	**400.60**	**5,567.20**	**12,190.42**	**(137.58)**	**-**	**19,432.00**	**-**

Notes forming part of the Consolidated financial statements for the year ended March 31, 2025

(Amount in INR Lakhs, unless otherwise stated)

NOTE 1: CORPORATE INFORMATION

Smartlink Holdings Limited ("Company" or "Parent" or "Parent Company"), incorporated in Goa is in the business of manufacture of various categories of electronic and IT products on job work basis and also engages in contract manufacturing for Original Equipment Manufacturers ("EMS" business). The Company is public limited company incorporated and domiciled in India and has its registered office at Verna Industrial Estate, Goa, India.

During the year, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated January 09, 2025 has approved the 'Scheme of Amalgamation ('Scheme')' of Wholly Owned Subsidiary Synegra EMS Limited with the parent Company. Consequent to the scheme becoming effective on January 31, 2025, the Company has ceased to be a Non-Banking Financial Company ('NBFC'). The Company has surrendered the Certificate of registration of NBFC issued by the Reserve Bank of India - to carry on the business of NBFC without accepting public deposits refer note 39 for the details.

The Consolidated Financial Statement of Smartlink Holdings Limited comprise of the financial statements of the Parent Company and its subsidiary Digisol Systems Limited, together referred to as the 'Group'.

Digisol Systems Limited is in the business of developing, manufacturing, marketing, distributing and servicing of various categories of Networking and Information Technology (IT) Products.

The Board of Directors approved the consolidated financial statements for the year ended March 31, 2025 and authorised for issue on May 9, 2025.

NOTE 2: MATERIAL ACCOUNTING POLICIES

Material accounting policies adopted by the Group are as under:

2.1 Basis of Preparation of Financial Statements

(a) Statement of Compliance with Ind AS

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) notified under Section 133 of the Companies Act, 2013 (the "Act") read with the Companies (Indian Accounting Standards) Rules, 2015 and Company (Indian Accounting Standard) Ammendment Rules, 2016.

Accounting policies have been consistently applied to all the years presented except where a newly issued accounting standard is initially adopted or a revision to an existing accounting standard requires a change in the accounting policy hitherto in use.

The financial statements have been prepared on a historical cost basis, except for certain financial assets and financial liabilities that are measured at fair value.

The financial statements are presented in Indian Rupees (INR) in lakhs, which is also the functional currency of the company and all amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, except when otherwise indicated.

(b) Classification into current and non-current:

All assets and liabilities have been classified as current or non-current as per the Company's operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of services and the time between the rendering of service and their realization in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current and non current classification of assets and liabilities.

(c) Use of estimates

The preparation of financial statements in conformity with Ind AS requires the Management to make estimate and assumptions that affect the reported amount of assets and liabilities as at the Balance Sheet date, reported amount of revenue and expenses for the year and disclosures of contingent liabilities as at the Balance Sheet date. The estimates and assumptions used in the accompanying financial statements are based upon the Management's evaluation of the relevant facts and circumstances as at the date of the financial statements. Actual results could differ from these estimates. Estimates and underlying assumptions are reviewed on a periodic basis. Revisions to accounting estimates, if any, are recognized in the year in which the estimates are revised and in any future years affected. Refer Note 3 for detailed discussion on estimates and judgments.

2.2 Principles of consolidation

Subsidiaries

Subsidiaries are all entities (including structured entities) over which the group has control. The Group controls an entity when the group is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power to direct the relevant activities of the entity. Subsidiaries are fully consolidated from the date on which control is transferred to the Group. They are deconsolidated from the date that control ceases.

The Group combines the financial statements of the parent and its subsidiaries line by line adding together like items of assets, liabilities, equity, income and expenses. Intercompany transactions, balances and unrealised gains on transactions between group companies are eliminated. Unrealised losses are also eliminated unless the transaction provides evidence of an impairment of the transferred asset. Accounting policies of subsidiaries have been changed where necessary to ensure consistency with the policies adopted by the group.

Non-controlling interests in the results and equity of subsidiaries are shown separately in the consolidated statement of profit and loss, consolidated statement of changes in equity and consolidated balance sheet respectively.

Business combinations

Acquisition of subsidiaries and businesses are accounted for using the purchase method. The consideration transferred in each business combination is measured at the aggregate of the acquisition date, fair values of assets given, liabilities incurred by the Group to the former owners of the acquiree, and equity interests issued by the Group in exchange for control of the acquiree.

Acquisition related costs are recognised in the consolidated statement of profit and loss.

Goodwill arising on acquisition is recognised as an asset and measured at cost, being the excess of the consideration transferred in the business combination over the Group's interest in the net fair value of the identifiable assets acquired, liabilities assumed and contingent liabilities recognised. Where the fair value of the identifiable assets and liabilities exceed the cost of acquisition, after re-assessing the fair values of the net assets and contingent liabilities, the excess is recognised as capital reserve on consolidation.

(Amount in INR Lakhs, unless otherwise stated)

Once control has been achieved, any subsequent acquisitions where the Group does not originally hold a hundred percent interest in a subsidiary are treated as an acquisition of shares from non-controlling shareholders. The identifiable net assets are not subject to further fair value adjustments and the difference between the cost of acquisition of the noncontrolling interest and the net book value of the additional proportion acquired is adjusted in equity. The amount of non-controlling interests in the acquiree is measured either at the non-controlling interests proportion of the net fair value of the assets, liabilities and contingent liabilities recognised or at fair value.

Business combinations arising from transfers of interests in entities that are under the common control are accounted for using the pooling of interest method. The difference between any consideration transferred and the aggregate historical carrying values of assets and liabilities of the acquired entity are recognised in shareholder's equity.

When a transaction or other event does not meet the definition of a business combination due to the asset or group of assets not meeting the definition of a business, it is termed an 'asset acquisition'. In such circumstances, the acquirer:

- identifies and recognises the individual identifiable assets acquired
- allocates the cost of the group of assets and liabilities to the individual identifiable assets and liabilities on the basis of their relative fair values at the date of purchase.

Such a transaction or event does not give rise to goodwill or a gain on a bargain purchase.

2.3 Property, plant and equipment

Property, plant and equipment, are stated at historical cost of acquisition or construction less accumulated depreciation and impairment losses, if any. Cost of property, plant and equipment comprises its purchase price net of any discounts and rebates, any import duties and other taxes (other than those subsequently recovered from the tax authorities), any directly attributable expenditure on making the asset ready for its intended use, other incidental expenses, decommissioning costs, if any, and interest on borrowings attributable to it up to the date it is ready for its intended use. Cost of property, plant and equipment that are not yet ready for their intended use at the balance sheet date are shown under capital work-in-progress.

Subsequent costs are included in the asset's carrying amount or recognized as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Group and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance costs are charged to Statement of Profit and Loss during the year in which they are incurred.

Property, plant and equipment's residual values and useful lives are reviewed at each Balance Sheet date and changes, if any, are treated as changes in accounting estimate.

Depreciation methods, estimated useful lives

The Group depreciates Property, Plant and Equipments using the straight line method over their estimated useful lives as under:

Property, plant and equipment	Useful Lives (in years)
Plant and Equipments	8
Furniture and Fixtures	8
Motor Vehicle	5
Office Equipment	5
Electrical Installations	10
Computers	3

Depreciation on property, plant and equipment has been provided on the straight-line method as per the useful life prescribed in Schedule II to the Companies Act, 2013 except in respect of certain categories of assets, in whose case the life of the assets has been assessed as under based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support, etc

Depreciation on addition to property plant and equipment is provided on pro-rata basis from the date of acquisition.

Property plant and equipment is derecognised on disposal or when no future economic benefits are expected from its use.

Depreciation on derecognition of an asset from property plant and equipment is provided up to the date preceding the date of derecognition. Any gain or loss arising on derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is recognised in other income / expense in the statement of profit and loss in the year the asset is derecognised.

Depreciation methods, useful lives and residual values are reviewed periodically at each financial year end and adjusted prospectively, as appropriate.

2.4 Intangible Assets

Intangible assets with finite useful lives that are acquired separately are carried at cost less accumulated amortisation and accumulated impairment losses. Amortisation is recognised on a straight line basis over their estimated useful lives so as to reflect the pattern in which the assets economic benefits are consumed. The estimated useful life and amortisation method are reviewed at the end of each reporting period, with the effect of any changes in estimate being accounted for on a prospective basis. The amortisation of intangible asset is included in Depreciation and amortisation expense in statement of Profit & Loss account.

The Group amortized intangible assets using the straight line method over their estimated useful lives as under :

Intangible assets	Useful life (in years)
Computer Software (ERP)	3
Computer Software (other software)	4
Technical know-how	5

Intangible assets with finite lives are assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortization period and the amortization method for an intangible asset with a finite useful life are reviewed at least at each financial year end.

2.5 Investment properties

Property that is held for long - term rental yield or for capital appropriation or both, and that is not used in the production of goods and services or for administrative purposes is classified as investment property.

Investment properties are measured initially at cost. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment loss, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Group depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognized in profit or loss as incurred.

Investment properties are derecognized either when they have been disposed of or when they are permanently withdrawn from use and no future economic benefit is expected from their disposal. The difference between the net disposal proceeds and the carrying amount of the asset is recognized in profit or loss in the period of derecognition.

Investment properties include properties leased out and measured as right of use assets.

2.6 Foreign Currency Transactions

(a) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary economic environment in which the group entities operates ('the functional currency'). The financial statements are presented in Indian rupee (INR), which is the entities functional and presentation currency.

(b) Transactions and balances

On initial recognition, all foreign currency transactions are recorded by applying to the foreign currency amount the exchange rate between the functional currency and the foreign currency at the date of the transaction. Gains/Losses arising out of fluctuation in foreign exchange rate between the transaction date and settlement date are recognised in the Statement of Profit and Loss.

All monetary assets and liabilities in foreign currencies are restated at the year end at the exchange rate prevailing at the year end and the exchange differences are recognised in the Statement of Profit and Loss.

Non-monetary items that are measured in terms of historical cost in a foreign currency are translated using the exchange rates at the dates of the initial transactions.

2.7 Fair value measurement

The Group measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability accessible to the Group.

The Group uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximizing the use of relevant observable inputs and minimizing the use of unobservable inputs. The Group's management determines the policies and procedures for fair value measurement.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorized within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities

- Level 2 — Inputs other than quoted prices included in Level 1 that are observable for the assets or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).

- Level 3 — Inputs for the assets or liability that are not based on observable market data (unobservable inputs).

2.8 Revenue Recognition

(a) Sale of Products

Revenue from contract with customers is recognised at a point in time when the Company satisfies the performance obligation by transferring / delivering promised goods to the customer. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable, and is net of discounts, allowances, returns, goods and services tax and amounts collected on behalf of third party.

(b) Rendering of Services

The Company primarily earns revenue from repair charges. Revenue is recognised in accordance with the terms of the contract with customers when the identified performance obligation is completed. The revenue is measured based on transaction price, which is the fair value of consideration received or receivable and is net of Goods and Service Tax.

(c) Interest income

Interest income is recorded using the effective interest rate (EIR) method for all financial instruments measured at amortised cost and debt instrument measured at FVTOCI. The EIR is the rate that exactly discounts estimated future cash receipts through the expected life of the financial instrument or, when appropriate, a shorter period, to the net carrying amount of the financial asset.

The EIR (and therefore, the amortised cost of the asset) is calculated by taking into account any discount or premium on acquisition, fees and costs that are an integral part of the EIR. The Group recognises interest income using a rate of return that represents the best estimate of a constant rate of return over the expected life of the loan. Hence, it recognises the effect of potentially different interest rates charged at various stages, and other characteristics of the product life cycle (including prepayments, penalty interest and charges).

If expectations regarding the cash flows on the financial asset are revised for reasons other than credit risk. The adjustment is booked as a positive or negative adjustment to the carrying amount of the asset in the balance sheet with an increase or reduction in interest income. The adjustment is subsequently amortised through Interest income in the statement of profit and loss.

(d) Revenue from lease rentals

Lease income is recognised in the Statement of Profit and Loss on straight line basis over the lease term, unless there is another systematic basis which is more representative of the time pattern of the lease.

(Amount in INR Lakhs, unless otherwise stated)

(e) Dividend Income

Dividend income (including from FVOCI investments) is recognised when the entities right to receive the payment is established, it is probable that the economic benefits associated with the dividend will flow to the entity and the amount of the dividend can be measured reliably. This is generally when the shareholders approve the dividend.

2.9 Accounting for Government Grants

Government grants in terms of incentives are recognized only when there is reasonable assurance that (i) the Group will comply with the conditions attached to them, and (ii) the grant/subsidy will be received.

The Government grant in the form of incentives are recognized as income on a systematic basis in the Statement of Profit and Loss over the periods necessary to match them with the related costs, which they are intended to compensate and the achievement of the performance criteria for being eligible for receipt of the grant. The grants are presented under 'Other Operating Income' in the Statement of Profit and Loss.

2.10 Taxes

Tax expense for the year, comprising current tax and deferred tax, are included in the determination of the net profit or loss for the year.

(a) Current income tax

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis, or to realize the asset and settle the liability simultaneously.

(b) Deferred tax

Deferred tax is recognised on temporary differences, being differences between the carrying amount of assets and liabilities and corresponding tax bases used in the computation of taxable profit. Deferred tax is measured using the tax rates and the tax laws enacted or substantively enacted as at the reporting date. Deferred tax liabilities are recognised for all temporary differences, except:

(i) Where the deferred tax liability arises from the initial recognition of goodwill or of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

(ii) In respect of taxable temporary differences associated with investments in subsidiaries, where the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future.

Deferred tax assets are generally recognised for all deductible temporary differences to the extent that it is probable that taxable profits will be available against which those deductible temporary differences can be utilised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Group has a legally enforceable right for such set off. Deferred tax assets are reviewed at each balance sheet date for their realisability."

Current and deferred tax are recognised in profit or loss, except when they relate to items that are recognised in Other Comprehensive Income or directly in equity, in which case, the current and deferred tax are also recognised in Other Comprehensive Income or directly in equity respectively.

2.11 Leases

The Company's lease asset classes primarily consist of leases for office and factory premises. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

(i) the contract involves the use of an identified asset

(ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease and

(iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

2.12 Impairment of non-financial assets

The carrying values of assets / cash generating units at each balance sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount. The recoverable amount is the fair value less cost to sell and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate pre-tax discount rate to determine whether there is any indication that those assets have suffered any impairment loss. When there is an indication that an impairment loss recognised for an asset in earlier accounting periods no longer exists or may have decreased, such reversal of impairment loss is recognised in the Statement of Profit and Loss, except in case of revalued assets.

2.13 Provisions and contingent liabilities

Provisions are recognised when the Group has a present obligation (legal or constructive) as a result of a past event, it is probable that the Group will be required to settle the obligation, and a reliable estimate can be made of the amount of the obligation.

The amount recognised as a provision is the best estimate of the consideration required to settle the present obligation at the end of the reporting period, taking into account the risks and uncertainties surrounding the obligation. In the event the time value of money is material, provision is carried at the present value of the cash flows required to settle the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognized as a finance cost.

Contingent liabilities are disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Group or a present obligation that arises from past events, where it is either not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of the amount cannot be made. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

Contingent assets are possible assets that arises from past events and whose existence will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the entity. A contingent asset is disclosed, where an inflow of economic benefits is probable.

2.14 Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of cash flow statement, cash and cash equivalents include cash on hand, cash in bank and short-term deposits net of bank overdraft.

2.15 Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

At initial recognition, financial asset is measured at its fair value plus, in the case of a financial asset not at fair value through profit or loss, transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through profit or loss are expensed in profit or loss.

(ii) Subsequent measurement

For purposes of subsequent measurement, financial assets are classified in following categories:

a) at amortized cost; or

b) at fair value through other comprehensive income; or

c) at fair value through profit or loss.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Amortized cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortized cost. Interest income from these financial assets is included in Interest income using the effective interest rate method (EIR).

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through other comprehensive income (OCI), except for the recognition of impairment gains or losses, interest revenue and foreign exchange gains and losses which are recognized in Statement of Profit and Loss. When the financial asset is derecognized, the cumulative gain or loss previously recognized in OCI is reclassified from equity to Statement of Profit and Loss and recognized in other gains/ (losses). Interest income from these financial assets is included in Interest income using the effective interest rate method.

Fair value through profit or loss: Assets that do not meet the criteria for amortized cost or FVOCI are measured at fair value through profit or loss. Interest income from these financial assets is included in Interest income.

Equity instruments: All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading and contingent consideration recognised by an acquirer in a business combination to which Ind AS103 applies are classified as at fair value through profit and loss (FVTPL). For all other equity instruments, the Group may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The Group makes such election on an instrument- by-instrument basis. The classification is made on initial recognition and is irrevocable.

If the Group decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to profit and loss, even on sale of investment. However, the Group may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the profit and loss.

(iii) Impairment of financial assets

The Group applies expected credit loss (ECL) model for measurement and recognition of impairment loss on financial assets.

For recognition of impairment loss on financial assets and risk exposure, the Group determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If in subsequent years, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognizing impairment loss allowance based on 12 month ECL.

Life time ECLs are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12 month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the year end.

ECL is the difference between all contractual cash flows that are due to the Group in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider all contractual terms of the financial instrument (including prepayment, extension etc.) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the entity is required to use the remaining contractual term of the financial instrument.

In general, it is presumed that credit risk has significantly increased since initial recognition if the payment is more than 30 days past due.

ECL impairment loss allowance (or reversal) recognized during the year is recognized as income/expense in the statement of profit and loss. In balance sheet ECL for financial assets measured at amortized cost is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount.

(iv) Derecognition of financial assets

A financial asset is derecognized only when

a) the rights to receive cash flows from the financial asset is transferred or

b) retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the financial asset is transferred then in that case financial asset is derecognized only if substantially all risks and rewards of ownership of the financial asset is transferred. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

(b) Financial liabilities

(i) Initial recognition and measurement

Financial liabilities are classified, at initial recognition, as financial liabilities at fair value through profit or loss and at amortized cost, as appropriate.

All financial liabilities are recognized initially at fair value and, in the case of borrowings and payables, net of directly attributable transaction costs.

(ii) Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Separated embedded derivatives are also classified as held for trading unless they are designated as effective hedging instruments. Gains or losses on liabilities held for trading are recognized in the Statement of Profit and Loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortized cost using the EIR method. Gains and losses are recognized in Statement of Profit and Loss when the liabilities are derecognized as well as through the EIR amortization process. Amortized cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortization is included as finance costs in the Statement of Profit and Loss.

(iii) Derecognition

A financial liability is derecognized when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognized in the Statement of Profit and Loss as finance costs.

(c) Financial Guarantee Contracts

Financial guarantees are initially recognised in the financial statements (within ‘other liabilities’) at fair value. Subsequently, the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognised less cumulative amortisation.

Any increase in the liability relating to financial guarantees is recorded in the statement of profit and loss in credit loss expense. The premium received is recognised in the statement of profit and loss in net fees and commission income on a straight line basis over the life of the guarantee.

(d) Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognized amounts and there is an intention to settle on a net basis or realize the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Group or the counterparty.

2.16 Inventories

Inventories are valued at the lower of cost (on weighted average basis) and net realisable value.

Cost of inventories comprises of cost of purchases, costs of conversion and other costs incurred in bringing the inventories to their present location and condition.

Provision of obsolescence on inventories is considered on the basis of management’s estimate based on demand and market of the inventories.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated cost of completion and the estimated costs necessary to make the sale.

The net realizable value of work in progress is determined with reference to the selling prices of related finished products. Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed the net realizable value.

2.17 Employee Benefits

(a) Short-term obligations

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the year in which the employees render the related service are recognized in respect of employees' services up to the end of the year and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

(b) long-term employee benefit obligations

(i) Defined contribution plan

Provident Fund: The Group's contributions to statutory provident fund in accordance with the Employees Provident Fund and Miscellaneous Provisions Act, 1952 which is a defined contribution plan, are charged to the Statement of Profit and Loss in the period of accrual. The Group has no obligation, other than the contribution payable to the provident fund.

Employee's State Insurance Scheme: Contribution towards employees' state insurance scheme is made to the regulatory authorities, where the Group has no further obligations. Such benefits are classified as Defined Contribution plan as the Group does not carry any further obligations, apart from the contributions made on a monthly basis which are charged to the Statement of Profit and Loss.

(ii) Defined benefit plans

Gratuity:

The Group provides for gratuity, a defined benefit plan (the "Gratuity Plan") covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity Plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary. The Group's liability is actuarially determined (using the Projected Unit Credit method) at the end of each year.

Remeasurements, comprising of actuarial gains and losses and the return on plan assets (excluding net interest) is reflected immediately in the balance sheet with a charge/credit recognised in Other Comprehensive Income (""OCI"") in the period in which they occur.

Remeasurements recognised in OCI is reflected immediately in Surplus in statement of profit and loss account and is not reclassified to profit or loss in subsequent periods.

(c) Other Long Term Employee Benefits:

Group's liabilities towards compensated absences to employees which are expected to be availed or encashed beyond 12 months from the end of the year are accrued on the basis of valuations, as at the Balance sheet date, carried out by an independent actuary using Projected Unit Credit Method.

Actuarial gains and losses comprise experience adjustments and the effects of changes in actuarial assumptions and are recognised immediately in the statement of profit and loss.

2.18 Earnings Per Share

Basic earnings per share is calculated by dividing the net profit or loss for the year attributable to equity shareholders by the weighted average number of equity shares outstanding during the year. Earnings considered in ascertaining the Group's earnings per share is the net profit or loss for the year after deducting preference dividends and any attributable tax thereto for the year. The weighted average number of equity shares outstanding during the year and for all the years presented is adjusted for events, such as bonus shares, other than the conversion of potential equity shares, that have changed the number of equity shares outstanding, without a corresponding change in resources.

For the purpose of calculating diluted earnings per share, the net profit or loss for the year attributable to equity shareholders and the weighted average number of shares outstanding during the year is adjusted for the effects of all dilutive potential equity shares.

2.19 Borrowing Costs

Borrowing costs consist of interest and other costs that an entity incurs in connection with the borrowing of funds. Borrowing costs also include exchange differences to the extent regarded as an adjustment to the borrowing costs.

All borrowing costs are charged to the Statement of Profit and Loss except:

a) Borrowing costs directly attributable to the acquisition or construction of assets that necessarily takes a substantial period of time to get ready for its intended use are capitalised as part of the cost of such assets.

b) Expenses incurred on raising long term borrowings are amortised using effective interest rate method over the period of borrowings.

Investment Income earned on the temporary investment of funds of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalisation.

2.20 Dividend on ordinary shares

The Group recognises a liability when the distribution is authorised by the shareholders. A corresponding amount is recognised directly in equity.

2.21 Segment Reporting

The groups business activities are mainly related to developing, manufacturing, marketing, distributing and servicing networking products. These networking products are sold to distributors, Original Equipment Manufacturers (OEM's) and System Integrators (SI) ,which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM.

2.22 Rounding off amounts

All amounts disclosed in financial statements and notes have been rounded off to the nearest lakhs, unless otherwise stated.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 3: SIGNIFICANT ACCOUNTING JUDGMENTS, ESTIMATES AND ASSUMPTIONS

In the preparation of the financial statements, the Group makes judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised prospectively. Information about assumptions, judgements and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ending March 31, 2025 are as below:

(a) Useful life of Property, plant and equipment, Investment Property and intangible assets and its expected residual value

Property, plant and equipment, Investment Property and other intangible assets represent a significant proportion of the assets of the Group. Depreciation and amortisation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of Group's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

(b) Fair value measurements and valuation processes

The fair value of financial instruments is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction in the principal (or most advantageous) market at the measurement date under current market conditions (i.e., an exit price) regardless of whether that price is directly observable or estimated using another valuation technique. When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be derived from active markets, they are determined using a variety of valuation techniques that include the use of valuation models. The inputs to these models are taken from observable markets where possible, but where this is not feasible, estimation is required in establishing fair values. Judgements and estimates include considerations of liquidity and model inputs related to items such as credit risk (both own and counterparty), funding value adjustments, correlation and volatility for further details about determination of fair value.

(c) Actuarial Valuation

The determination of Company's liability towards defined benefit obligation to employees is made through independent actuarial valuation including determination of amounts to be recognised in the Statement of Profit and Loss and in Other Comprehensive Income. Such valuation depend upon assumptions determined after taking into account discount rate, salary growth rate, expected rate of return, mortality and attrition rate. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. Information about such valuation is provided in notes to the financial statements.

(d) Impairment of non-financial assets

In assessing impairment, management estimates the recoverable amount of each asset or cash-generating units based on expected future cash flows and uses an interest rate to discount them. Estimation uncertainty relates to assumptions about future operating results and the determination of a suitable discount rate.

(e) Effective Interest Rate (EIR) method

The Group's EIR methodology, recognises interest income / expense using a rate of return that represents the best estimate of a constant rate of return over the expected behavioural life of loans given / taken and recognises the effect of potentially different interest rates at various stages and other characteristics of the financial instruments.

This estimation, by nature, requires an element of judgement regarding the expected behaviour and life-cycle of the instruments, as well expected changes to India's base rate and other fee income/expense that are integral parts of the instrument.

(f) Impairment of financial asset

The Group recognizes loss allowances for Expected Credit Losses (ECL) on its financial assets measured at amortized cost and Fair Value through Other Comprehensive Income (FVOCI) except investment in equity instruments. At each reporting date, the Group assesses whether the above financial assets are credit- impaired. A financial asset is 'credit- impaired' when one or more events that have a detrimental impact on the estimated future cash flows of the financial asset have occurred.

NOTE 4: RECENT ACCOUNTING PRONOUNCEMENTS

Ministry of Corporate Affairs ("MCA") notifies new standards or amendments to the existing standards under Companies (Indian Accounting Standards) Rules as issued from time to time. For the year ended March 31, 2025, MCA has notified IND-AS 117 Insurance contract and amendment to IND AS 116 - Leases, relating to sales and lease back transactions, applicable to the company w.e.f. April 1, 2024. The Company has reviewed the new pronouncements and based on its evaluation has determined that it does not have any significant impact in it's financial statements.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 5: PROPERTY, PLANT AND EQUIPMENT

Particulars	Gross Block					Depreciation					Net block	
	As at April 01, 2024	Additions	Deductions	Transfer to Investment Property	As at March 31, 2025	As at April 01, 2024	Charge for the year	Deductions	Transfer to Investment Property	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Buildings-Own Use	1,108.09	-	-	-	1,108.09	827.10	33.67	-	-	860.77	247.32	280.99
Plant and equipment	2,172.84	286.01	-	-	2,458.85	1,221.99	206.14	-	-	1,428.13	1,030.72	950.85
Furniture and fixture	312.72	1.77	-	-	314.49	298.46	2.70	-	-	301.16	13.33	14.26
Motor Vehicles	132.27	-	-	-	132.27	53.95	22.32	-	-	76.27	56.00	78.32
Office equipment	147.93	0.62	-	-	148.55	144.29	1.33	-	-	145.62	2.93	3.64
Electrical installations	771.41	16.96	-	-	788.37	729.94	7.81	-	-	737.75	50.62	41.47
Computers	294.95	8.03	-	-	302.98	278.85	11.14	-	-	289.99	12.99	16.10
Right of use assets (refer note 46)	324.00	18.23	16.57	-	325.66	107.24	51.23	16.57	-	141.90	183.76	216.76
Total	**5,264.21**	**331.62**	**16.57**	**-**	**5,579.26**	**3,661.82**	**336.34**	**16.57**	**-**	**3,981.59**	**1,597.67**	**1,602.39**

Particulars	Gross Block					Depreciation					Net block	
	As at April 01, 2023	Additions	Deductions	Transfer to Investment Property	As at March 31, 2024	As at April 01, 2023	Charge for the year	Deductions	Transfer to Investment Property	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Land-Freehold (refer note (d))	87.91	-	-	87.91	-	87.91	-	-	87.91	-	-	-
Buildings-Own Use (refer note (d))	1,789.82	-	-	681.73	1,108.09	947.45	46.14	-	166.49	827.10	280.99	842.37
Plant and equipment	1,977.84	215.80	20.80	-	2,172.84	1,073.08	169.71	20.80	-	1,221.99	950.85	904.76
Furniture and fixture	313.62	-	0.90	-	312.72	296.54	2.82	0.90	-	298.46	14.26	17.08
Motor Vehicles	132.27	-	-	-	132.27	29.38	24.57	-	-	53.95	78.32	102.89
Office equipment	146.34	1.59	-	-	147.93	142.98	1.31	-	-	144.29	3.64	3.36
Electrical installations	801.99	3.42	34.00	-	771.41	757.30	6.64	34.00	-	729.94	41.47	44.69
Computers	281.51	13.44	-	-	294.95	261.25	17.60	-	-	278.85	16.10	20.26
Right of use assets (refer note 46)	324.00	-	-	-	324.00	55.92	51.32	-	-	107.24	216.76	268.08
Total	**5,855.30**	**234.25**	**55.70**	**769.64**	**5,264.21**	**3,651.81**	**320.11**	**55.70**	**254.40**	**3,661.82**	**1,602.39**	**2,203.49**

Note:

(a) All title deeds of immovable properties are held in the name of company.

(b) The group has not revalued any of its property, plant and equipments during the years ended March 31, 2025 and March 31, 2024.

(c) Plant and Equipment of NIL (March 31, 2024 INR 300 lakhs) hypothecated to SIDBI by Synegra EMS Limited as first charge against term loan.

(d) Freehold Land and building given on operating lease have been reclassified to Investment Property.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 6: OTHER INTANGIBLE ASSETS

Particulars	Gross Block				Depreciation				Net block	
	As at April 01, 2024	Additions	Deductions	As at March 31, 2025	As at April 01, 2024	Charge for the year	Deductions	As at March 31, 2025	As at March 31, 2025	As at March 31, 2024
Computer Software	176.34	-	-	176.34	176.34	-	-	176.34	-	-
Technical know-how	37.75	-	-	37.75	37.75	-	-	37.75	-	-
Total	**214.09**	**-**	**-**	**214.09**	**214.09**	**-**	**-**	**214.09**	**-**	**-**

Particulars	Gross Block				Depreciation				Net block	
	As at April 01, 2023	Additions	Deductions	As at March 31, 2024	As at April 01, 2023	Charge for the year	Deductions	As at March 31, 2024	As at March 31, 2024	As at March 31, 2023
Computer Software	176.34	-	-	176.34	176.34	-	-	176.34	-	-
Technical know-how	37.75	-	-	37.75	37.75	-	-	37.75	-	-
Total	**214.09**	**-**	**-**	**214.09**	**214.09**	**-**	**-**	**214.09**	**-**	**-**

Note:
The group has not revalued any of its intangible assets during the years ended March 31, 2025 and March 31, 2024.

NOTE 7: INVESTMENT PROPERTY

Particulars	As at March 31, 2025				As at March 31, 2024			
	Amount				Amount			
	Land Leasehold	Land Freehold	Building	Total	Land Leasehold	Land Freehold	Building	Total
Gross Block								
Opening balance of gross carrying amount	708.34	87.91	1,227.53	2,023.78	708.34	-	545.80	1,254.14
Additions	-	-	-	-	-	-	-	-
Disposals	-	-	-	-	-	-	-	-
Transferred from Property, Plant and Equipment	-	-	-	-	-	87.91	681.73	769.64
Closing balance of gross carrying amount	**708.34**	**87.91**	**1,227.53**	**2,023.78**	**708.34**	**87.91**	**1,227.53**	**2,023.78**
Accumulated Depreciation								
Opening accumulated depreciation	48.72	87.91	292.15	428.78	39.87	-	108.16	148.03
Charge for the year	8.84	-	27.94	36.78	8.85	-	17.50	26.35
Deduction	-	-	-	-	-	-	-	-
Transferred from Property, Plant and Equipment	-	-	-	-	-	87.91	166.49	254.40
Closing accumulated depreciation	**57.56**	**87.91**	**320.09**	**465.56**	**48.72**	**87.91**	**292.15**	**428.78**
Net Block	**650.78**	**-**	**907.44**	**1,558.22**	**659.62**	**-**	**935.38**	**1,595.00**

Note:
(a) Asset given on operating lease - gross value - on March 31, 2025: INR 2,023.78 lakhs (March 31, 2024: INR 2,023.78 lakhs), - written down value on March 31, 2025: INR 1,558.22 lakhs (March 31, 2024: INR 1,595.00 lakhs).
(b) Rental income from the Investment Properties given on operating lease, in the Statement of Profit and Loss amounts to INR 147.13 lakhs (March 31, 2024: INR 79.08 lakhs).
(c) Fair value as on March 31, 2025 of Land INR 5,728.70 lakhs (March 31, 2024 INR 5,728.70 lakhs) and Buildings INR 896.60 lakhs (March 31, 2024 INR 896.60 lakhs).
(d) Freehold Land and building given on operating lease have been reclassified from Property, Plant and Equipment.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 8: INVESTMENTS (NON CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Investments measured at amortised cost		
Debt securities	3,337.66	4,184.46
Total	**3,337.66**	**4,184.46**

DETAILS OF INVESTMENTS -

Particulars	Face Value	Nos		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Investments measured at Amortised Cost					
Investments in bonds (Quoted) (refer footnote 1):					
Canara Bank BD Perpetual - 9.55%	1,000,000	-	10	-	100.58
Cholamandalam Investment and Finance Company Ltd - NCD 8.80%	1,000,000	30	30	320.90	320.98
Mahindra Rural housing Finance Ltd 2017 - NCD 8.50%	1,000,000	30	30	320.94	321.01
Tata Motors Finance Limited Perpetual NCD -11.10%	1,000,000	-	30	-	342.83
Bajaj Finance Ltd 2027 - NCD 8.15%	1,000,000	5	5	50.63	50.64
Mahindra and Mahindra Financial Services Limited 2031 - 7.35%	1,000,000	20	20	210.83	210.87
State Bank of India Unsecured Rated Listed Additional Tier I Non Convertible Bond - 7.72%	10,000,000	3	3	313.63	313.93
State Bank of India perp - 100 year - 7.55%	10,000,000	2	2	204.47	204.53
L&T Finance Limited Tier II (series-s) - 9.95%	1,000,000	-	16	-	179.85
Punjab National Bank (TIER II) Bonds - 9.20%	1,000,000	-	11	-	115.52
L&T Finance Holdings Limited MLD	1,000,000	-	20	-	200.23
TATA Capital Limited - 7.89%	1,000,000	50	50	528.18	528.80
L&T Finance Holdings Limited - 8.75%	1,000,000	-	9	-	92.17
Mahindra and Mahindra Financial Services Limited - 7.90%	1,000,000	50	50	523.26	523.45
HDFC Credila Financial Services Limited Perpetual NCD - 10.50%	1,000,000	-	8	-	82.29
Tata Capital Limited Perpetual - 9.80%	1,000,000	25	20	271.25	218.86
Shriram Finance Limited - 8.75%	100,000	360	160	388.26	172.57
Cholamandalam Investment and Finance Company Limited - 8.50%	1,000	20,000	20,000	205.31	205.35
Total				**3,337.66**	**4,184.46**
Aggregate book value of:					
Quoted investments				3,337.66	4,184.46
Unquoted investments				-	-
Aggregate market value of:					
Quoted investments				3,218.40	3,992.74
Unquoted investments				-	-

Footnote:-

1. Investment in Bonds includes accrued interest of INR 174.83 lakhs (March 31, 2024 INR 196.14 lakhs).

(Amount in INR Lakhs, unless otherwise stated)

NOTE 9: OTHER FINANCIAL ASSETS (NON CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposits (gross)	35.38	29.76
In Fixed deposit accounts with maturity for more than 12 months from balance sheet date.	117.63	221.90
Total	**153.01**	**251.66**
Fixed deposit held as margin money against bank guarantee.	75.69	75.69
Fixed deposit held as guarantee to bank for bank Overdraft availed.	-	110.00

NOTE 10: NON-CURRENT TAX ASSETS (NET)

Particulars	As at March 31, 2025	As at March 31, 2024
Advance payment of taxes and tax deducted at source (net of provisions for taxation of INR 991.19 lakhs (March 31, 2024: INR 992.57 lakhs)	201.53	199.64
Total	**201.53**	**199.64**

NOTE 11: OTHER NON-CURRENT ASSET

Particulars	As at March 31, 2025	As at March 31, 2024
Surplus in Gratuity fund (funded) (Refer note 45(vi))	-	5.60
Balance with government authorities	346.23	536.78
Total	**346.23**	**542.38**

NOTE 12: INVENTORIES

(Valued at lower of cost or net realisable value)

Particulars	As at March 31, 2025	As at March 31, 2024
Raw materials and components	284.19	334.55
Raw materials and components in transit	261.70	39.60
Work-in-progress	47.54	0.33
Finished goods	2.29	0.47
Stock in Trade	2,166.15	1,845.25
Stock in transit	181.89	-
Stores, spares and packing materials	25.27	23.89
Total	**2,969.03**	**2,244.09**
Note: Carrying value of Inventories hypothecated as security by the group companies (Also refer note 24(a))	2,943.76	2,220.20

NOTE 13: INVESTMENTS - CURRENT

Particulars	As at March 31, 2025	As at March 31, 2024
Investments measured at amortised cost		
Debt securities	644.83	543.53
Fixed Deposits	1,330.53	1,351.52
Investments measured at Fair Value through Profit or Loss		
Mutual funds	5,173.34	6,931.32
Total - Gross (A)	**7,148.70**	**8,826.37**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 13: INVESTMENTS - CURRENT (CONTD.)

DETAILS OF INVESTMENTS

	Particulars	Face Value	Nos		Amount	
			As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
1.	**Investments measured at Amortised Cost**					
	Investments in bonds (Quoted) (refer footnote a):					
	North Eastern Electric Power Corporation Limited - NCD 7.68%	1,000,000	20	20	205.75	205.99
	L & T Finance Limited - 8.90%	1,000,000	19	19	204.85	205.09
	U.P. Power Corporation Limited - 9.95%	1,000,000	13	13	131.28	132.45
	Tata Capital Financial Services Perpetual NCD - 9.86%	1,000,000	10	-	102.95	-
					644.83	543.53
	Fixed Deposits (Unquoted)					
	Fixed Deposit with Bajaj Finance Limited (refer footnote b)		3	3	1,330.53	1,351.52
					1,330.53	1,351.52
					1,975.36	**1,895.05**
2.						
	Investments measured at Fair Value through Profit or Loss					
	Mutual funds (Unquoted)					
	ICICI Mutual Fund					
	ICICI Prudential Banking & PSU Debt Fund - Growth	10	-	1,974,384.404	-	585.53
	ICICI Prudential Corporate Bond Fund - Growth	10	-	2,117,912.167	-	570.70
	ICICI balance Advantage Fund - Growth	10	254,839.643	172,983.785	196.84	123.41
	ICICI Prudential Overnight fund direct plan Growth	1,000	11,279.352	48,465.434	155.20	625.46
	ICICI Prudential Medium term bond fund - Direct plan - Growth	10	1,545,211.172	-	741.62	-
	Kotak Mahindra Mutual Fund					
	Kotak Bond Fund Short Term - Growth - Regular Plan	10	1,504,985.518	1,504,985.518	767.76	711.05
	Birla Sun Life Mutual Fund					
	Aditya Birla sun life floating rate fund Growth Direct Plan	100	-	7,867.557	-	25.45
	Aditya Birla Sun Life Corporte Bond Fund -Growth -Direct	100	60,801.493	60,801.493	68.37	62.77
	Aditya Birla Sun Life NBFC-HFC Index-Sep 2026 Fund-Direct Growth	10	995,004.828	-	103.32	-
	SBI Mutual fund					
	SBI Short Term Debt Fund-Regular Plan-Growth	10	3,317,756.564	4,005,505.013	1,041.62	1,163.80
	Invesco Mutual Fund					
	Invesco India Ultra Short Term Fund Plan Growth (refer footnote c & d)	10	10,022.335	10,022.335	265.48	247.46
	Invesco India Short Term Fund - Regular Plan (refer footnote d)	10	7,725.541	7,725.541	296.79	273.54
	HSBC Mutual Fund					
	HSBC Corporate Bond Fund - Direct Growth	10	43,408.700	43,408.700	32.98	30.38
	HSBC Short Duration Fund - Direct Growth	10	1,685,769.092	1,685,769.092	461.71	425.34
	Bandhan Mutual Fund					
	Bandhan Banking & PSU Debt Fund - Direct Plan - Growth (refer footnote d)	10	1,849,165.387	1,849,165.423	458.39	423.55
	Bandhan Dynamic bond fund - Growth - regular plan	10	626,392.247	1,077,845.928	211.69	336.59
	Edelweiss Mutual Fund					
	Edelweiss NIFTY PSU Bond Plus SDL Index Fund - 2026 Direct Plan Growth	10	1,837,832.906	1,837,832.906	235.16	218.20

(Amount in INR Lakhs, unless otherwise stated)

NOTE 13: INVESTMENTS - CURRENT (CONTD.)

Particulars	Face Value	Nos		Amount	
		As at March 31, 2025	As at March 31, 2024	As at March 31, 2025	As at March 31, 2024
Bajaj Finserv Mutual Fund					
Bajaj Finserv Liquid Fund - Direct - Growth	1,000	-	28,964.883	-	305.23
Bajaj Finserv Money Market Fund - Direct Plan - Growth	1,000	-	47,465.491	-	500.84
Nippon India Mutual Fund					
Nippon India Liquid Fund - Direct Plan Growth Plan	1,000	31,891.815	5,111.235	26.62	302.02
UNION Mutual Fund					
Union Short duration plan Direct Growth	10	1,081,737.210	-	109.79	-
				5,173.34	**6,931.32**
Total Investments- Gross				**8,479.23**	**10,177.89**
Aggregate book value of:				1,975.36	1,895.05
Quoted investments				5,469.09	7,290.19
Unquoted investments					
Aggregate market value of:				632.00	532.98
Quoted investments				5,173.34	6,931.32
Unquoted investments					

Footnote:-

a Investment in Bonds includes accrued interest of INR 22.82 lakhs (March 31, 2024 INR 23.52 lakhs).

b Fixed deposits are pledged against Loan obtained by Digisol Systems Limited (wholly owned subsidiary).

c Invesco India Ultra Short Term Fund pledged against overdraft facility NIL (March 31, 2024 INR 247.46).

d Mutual Fund pledged against overdraft facility obtained by Digisol Systems Limited (wholly owned subsidiary) are as below limited for an amount not exceeding INR 500 lakhs.

Particulars	As at March 31, 2025	As at March 31, 2024
Bandhan Banking and PSU Debt Mutual Fund	266.55	423.55
Invesco India Ultra Short Duration Mutual Fund	154.93	-
Invesco India Short Duration Mutual Fund	223.19	-
Total	**644.67**	**423.55**

NOTE 14: TRADE RECEIVABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Trade Receivables		
Receivables considered good - Secured	-	-
Receivables considered good - Unsecured	5,657.96	5,749.33
Receivables considered doubtful - Unsecured	38.13	26.27
Less: Provision for doubtful debts	(38.13)	(26.27)
	5,657.96	**5,749.33**

Footnote :

a) Trade receivables hypothecated as security by the company and Digisol Systems Limited (subsidiary), net of eliminations of INR 1,839.94 lakhs (March 31, 2024: INR 753.55 lakhs)

b) There are no dues from director or other officer of the company or any firm or private company in which any director is a partner, a director or a member.

c) The net carrying value of trade receivables is considered a reasonable approximation of fair value.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 14: TRADE RECEIVABLES (CONTD.)

Ageing of Trade Receivables

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Undisputed Trade receivables – considered good		
Unbilled Dues	-	-
Not Due	4,695.97	5,035.72
Less than 6 months	958.17	723.70
6 months - 1 year	3.24	7.97
1-2 years	0.58	0.06
2-3 years	-	-
More than 3 years	-	-
Total	**5,657.96**	**5,767.45**
(ii) Undisputed Trade Receivables –which have significant increase in credit risk	**31.25**	**-**
(iii) Undisputed Trade Receivables – credit impaired	-	-
(iv) Disputed Trade Receivables–considered good		
6 months - 1 year	-	-
More than 3 years	6.88	8.15
Total	**38.13**	**8.15**
(v) Disputed Trade Receivables – which have significant increase in credit risk		
(vi) Disputed Trade Receivables – credit impaired		
Less: Allowance for bad and doubtful debts (Disputed + Undisputed)	(38.13)	(26.27)
Total	**5,657.96**	**5,749.33**

NOTE 15: CASH AND CASH EQUIVALENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Cash on hand	2.99	2.66
Balances with banks	-	-
On current accounts	68.37	21.60
Fixed deposits with maturity of less than 3 months*	-	20.00
Total	**71.36**	**44.26**
* Fixed Deposit kept as cash margin for Non fund based facility (letter of credit) with ICICI Bank Limited.	**-**	**20.00**

NOTE 16: BANK BALANCES OTHER THAN CASH AND CASH EQUIVALENT

Particulars	As at March 31, 2025	As at March 31, 2024
Fixed deposit having original maturity of more than 3 months but remaining maturity less than 12 months (refer footnote a & b)	320.52	618.47
Unpaid dividend accounts	-	1.84
Total	**320.52**	**620.31**

Footnote :		
a) held as guarantee to bank for bank Overdraft availed	300.00	553.08
b) lien with Small Industrial Development Bank Of India against Term Loan. (Refer Note 21)	-	58.55

(Amount in INR Lakhs, unless otherwise stated)

NOTE 17: OTHER FINANCIAL ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Security Deposit	2.51	-
Advance to employees	8.60	6.60
Accrued interest on deposit	32.28	37.47
Interest receivable on Income Tax refund	-	10.93
Production linked incentive receivable	404.79	431.53
Total	**448.18**	**486.53**

NOTE 18: OTHER CURRENT ASSETS

Particulars	As at March 31, 2025	As at March 31, 2024
Capital advances	-	48.70
Advance to vendor	93.63	94.14
Balance with government authorities	244.48	-
Prepaid expenses	22.95	41.78
Total	**361.06**	**184.62**

NOTE 19: EQUITY SHARE CAPITAL

The Company has only one class of equity share capital having a par value of INR 2 per share, referred to herein as equity shares.

Particulars	As at March 31, 2025	As at March 31, 2024
Authorized		
16,00,00,000 Equity Shares of INR 2/- each (March 31, 2024 : 3,50,00,000 equity shares of INR 2/- each)*	3,200.00	700.00
	3,200.00	700.00
Issued, Subscribed and paid up		
99,75,000 Equity Shares of INR 2/- each, fully paid-up (March 31, 2024 : 99,75,000)	199.50	199.50
Total	**199.50**	**199.50**

(a) Reconciliation of equity shares outstanding at the beginning and at the end of the year

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding at the beginning of the year	9,975,000	9,975,000
Add: Issued during the year	-	-
Outstanding at the end of the year	**9,975,000**	**9,975,000**

(b) Rights, preferences and restrictions attached to shares

The Company has only one class of equity shares having a par value of INR 2/- per share. Each shareholder is entitled for one vote per share held. The dividend proposed by the board of directors is subject to the approval of the shareholders in the ensuing annual general meeting, except in the case of interim dividend. In the event of liquidation of company, the equity shareholders are entitled to receive the remaining assets of the company after distributions of all preferential amounts, in proportion to their shareholding.

(c) Details of shares held by shareholders holding more than 5% of the aggregate shares in the Company

Name of the shareholder	As at March 31, 2025		As at March 31, 2024	
	No of shares	% of holding	No of shares	% of holding
Mr. Kamalaksha R. Naik	4,950,783	49.63%	4,945,214	49.58%
Ms. Arati K. Naik	934,833	9.37%	934,833	9.37%
Mrs. Lakshana A. Sharma	794,608	7.97%	794,608	7.97%
Mrs. Sudha K. Naik	467,417	4.69%	467,417	4.69%

(Amount in INR Lakhs, unless otherwise stated)

NOTE 19: EQUITY SHARE CAPITAL (CONTD.)

(d) Aggregate number of shares bought back during the period of five years immediately preceding the reporting date:

Particulars	No of shares bought-back during the year	No of shares outstanding
31.03.2025	-	9,975,000
31.03.2024	-	9,975,000
31.03.2023	-	9,975,000
31.03.2022	3,325,000	9,975,000
31.03.2021	-	13,300,000

(e) As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents both legal and beneficial ownerships of shares.

(f) Details of Shares held by Promoters at the end of the year

Promoter Name	As at March 31, 2025		
	No. of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	4,950,783	49.63%	0.05%
Ms. Arati K. Naik	934,833	9.37%	-
Dr. Lakshana A. Sharma	794,608	7.97%	-
Mrs. Sudha K. Naik	467,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	-
K R Naik HUF	100,493	1.01%	-
Total	**7,266,025**	**72.85%**	

Promoter Name	As at March 31, 2024		
	No. of Shares	% of total shares	% Change during the year
Mr. Kamalaksha R. Naik	4,945,214	49.58%	1.46%
Ms. Arati K. Naik	934,833	9.37%	-
Dr. Lakshana A. Sharma	794,608	7.97%	-
Mrs. Sudha K. Naik	467,417	4.69%	-
Mr. Amit Virendra Sharma	17,891	0.18%	-
K R Naik HUF	100,493	1.01%	-
Total	**7,260,456**	**72.80%**	

NOTE 20: OTHER EQUITY

Particulars	As at March 31, 2025	As at March 31, 2024
General Reserve	5,567.20	5,567.20
Capital Redemption Reserve	400.60	400.60
Capital Contribution	92.95	92.95
FVTOCI Reserve on defined benefit plans	(137.58)	(80.96)
Statutory Reserve	1,318.41	1,318.41
Surplus in Statement of Profit and Loss	12,190.42	11,529.91
Total	**19,432.00**	**18,828.11**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 20: OTHER EQUITY (CONTD.)

(A) General Reserve (GR)*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	5,567.20	5,567.20
Add / (Less): Transfer from Surplus in Profit and Loss account	-	-
Closing balance	**5,567.20**	**5,567.20**

*General reserve is free reserve available for distribution as recommended by Board in accordance with requirements of the Companies Act, 2013.

(B) Capital Redemption Reserve*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	400.60	400.60
Add / (Less): Change during the year		
Closing balance	**400.60**	**400.60**

*This is on account of transfer towards buyback of equity shares. It will be utilized in accordance with the provisions of the Companies Act, 2013.

(C) Capital contribution*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	92.95	92.95
Add / (Less): Change during the year		
Closing balance	**92.95**	**92.95**

* Represents impact of interest on loan to subsidiaries by promoters at lower than market rate of interest.

(D) FVTOCI Reserve on defined benefit plans

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	(80.96)	(52.32)
Net fair value gain/ (loss) on financial instruments	(56.62)	(28.64)
Closing balance	**(137.58)**	**(80.96)**

*Represents, remeasurements i.e. actuarial gains and losses and the return on plan assets, excluding amounts included in the net interest expenses on the net defined benefit liability are recognised in the other comprehensive income instead of profit and loss.

(E) Statutory Reserve (As per section 45 IC of the Reserve Bank of India Act 1934)*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	1,318.41	1,254.32
Add / (Less): Transfer from Surplus in Statement of Profit and loss	-	64.09
Closing balance	**1,318.41**	**1,318.41**

*This represents provision created under section 45-IC of the Reserve Bank of India Act, 1934. It will be utilized in accordance with the provisions of the Reserve Bank of India Act, 1934.

(Amount in INR Lakhs, unless otherwise stated)

(F) Retained Earnings / Surplus in Statement of Profit and loss*

Particulars	As at March 31, 2025	As at March 31, 2024
Opening balance	11,529.91	10,888.05
Add : Net profit / (loss) for the year	660.51	705.95
Amount available for appropriations	**12,190.42**	**11,594.00**
Less : Appropriations		
Less: Transferred to Statutory Reserve	-	(64.09)
Closing balance	**12,190.42**	**11,529.91**

*This represents the cumulative profits of the Group which can be utilized in accordance with the provisions of the Companies Act, 2013.

NOTE 21: BORROWINGS (NON-CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Secured		
Term Loan	-	216.00
Less : Current maturity of long term loan	-	108.00
	-	108.00
Total	**-**	**108.00**

Footnote:

Term loan from SIDBI was availed amounting to INR 270 lakhs carrying interest @ 8.25%. The term loan is repayable in 30 equal monthly instalments after a moratorium of 6 months. The same has been fully repaid during the year. Term loan is secured by a first charge, by way of hypothecation of Plant and Machinery of INR 300 lakhs, lien on fixed deposit of INR 55 lakhs.

As per the loan sanction letter, the said loan was taken for the purpose of purchase of Plant & Machinery. The Company has used such borrowings for the purposes as stated in the loan sanction letter.

NOTE 22: OTHER FINANCIAL LIABILITIES (NON-CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Deposits	46.52	43.86
Total	**46.52**	**43.86**

NOTE 23: PROVISIONS (NON - CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (funded) (Refer note 45(vi))	166.10	93.87
Provision for leave encashment (unfunded)	50.44	37.08
Provision for Warranty (Refer note 41)	61.92	47.30
Total	**278.46**	**178.25**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 24: BORROWINGS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Borrowings measured at Amortised Cost		
Secured		
Bank Overdraft	117.25	1,297.37
Term Loan	-	108.00
Loan from Financial Institution	-	850.00
Unsecured		
Loans from director	-	500.00
Total	**117.25**	**2,755.37**
Borrowings in India	**117.25**	**2,755.37**
Borrowings outside India	-	-
Total	**117.25**	**2,755.37**

Terms and conditions:

Secured Loan:

a) Bank Overdraft facility availed from HDFC Bank Limited by The Parent Company and Digisol Systems Limited is secured by charge ranking pari passu, by way of hypothecation of all existing and future Inventory and trade receivables, Corporate Guarantee from Parent Company of INR 3000 lakhs, and lien on Fixed Deposit of Parent Company of INR 300.00 lakhs (March 31, 2024 INR 663.08 lakhs).

b) Bank Overdraft facility availed from ICICI Bank Limited by The Parent Company and by Digisol Systems Limited is secured by charge, by way of hypothecation of Mutual Funds of the parent Company limited for an amount not exceeding INR 500 lakhs as given below (refer note 13)

Particulars	As at March 31, 2025	As at March 31, 2024
Bandhan Banking and PSU Debt Mutual Fund	266.55	423.55
Invesco India Ultra Short Duration Mutual Fund	154.93	-
Invesco India Short Duration Mutual Fund	223.19	-
Total	**644.67**	**423.55**

c) Company had availed Overdraft facility from ICICI bank, secured, by a charge ranking pari passu, by way of hypothecation of Invesco India Ultra Short Term Mutual Fund of NIL (Previous year INR 247.46 lakhs).

d) Loan from Bajaj Finance Ltd as on March 31, 2024 was secured by Fixed deposit of the parent company, of INR 1,250 lakhs with Bajaj Finance Limited and Corporate Guarantee from parent company of INR 2,000 lakhs.

Unsecured Loan

Loan from Director taken for a tenure of 365 days has been repaid during the current year.

NOTE 25: TRADE PAYABLES

Particulars	As at March 31, 2025	As at March 31, 2024
Total outstanding dues of micro enterprises and small enterprises	26.48	17.76
Total outstanding dues of creditors other than micro enterprises and small enterprises	3,560.05	3,842.67
Total	**3,586.53**	**3,860.43**

Trade payables (other than oustanding dues of micro and small enterprises) are non interest bearing with the average credit period on purchases is 30 to 60 days.

The disclosures under the Micro, Small and Medium Enterprises Development Act, 2006 have been made in respect of such vendors to the extent they could be identified as micro enterprises and small enterprises on the basis of information available with the Company.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 25: TRADE PAYABLES (CONTD.)

Note:

Particulars	As at March 31, 2025	As at March 31, 2024
Outstanding principal amount and interest as on 31st March.		
- Principal Amount	26.79	17.76
- Interest due thereon	0.07	-
Amount of interest paid along with the amounts of payment made beyond the appointed day	0.31	3.37
Amount of interest due and payable (where the principal has already been paid but interest has not been paid)	0.05	0.06
The amount of interest accrued and remaining unpaid at the end of each accounting year	0.12	0.23
The amount of further interest remaining due and payable even in succeeding years, until such date when the interest dues as above are actually paid for the purpose of disallowance as a deductible expenditure under section 23 of the said Act	-	-

Trade Payables ageing schedule

Particulars	As at March 31, 2025	As at March 31, 2024
(i) MSME		
Unbilled Dues	-	-
Payable Not Due	26.54	16.49
Less than 1 year	-	1.27
1-2 years	-	-
2-3 years	-	-
More than 3 years	-	-
Total MSME	**26.54**	**17.76**

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Others (undisputed)		
Unbilled dues	623.27	413.63
Payable not due	1,932.93	2,628.20
Less than 1 year	1,003.74	800.84
1-2 years	0.05	-
2-3 years	-	-
More than 3 years	-	-
Total Others	**3,559.99**	**3,842.67**
Total	**3,586.53**	**3,860.43**

NOTE 26: OTHER FINANCIAL LIABILITIES (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Security deposits	5.69	5.69
Unpaid dividend#	-	1.84
Interest accrued on delayed payment to MSME	0.12	0.23
Capital creditors	-	54.34
Employee Payable	392.83	221.48
Asset Retirement Obligation	10.08	9.30
Payable to Insurance Company	16.66	16.66
Interest accrued but not due on loans	-	10.46
Total	**425.38**	**320.00**

During the current year INR 1.79 lakhs was transferred to the Investor Education and Protection Fund.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 27: OTHER CURRENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
Statutory dues payable	34.49	30.30
Advances from clients/customers	7.23	3.87
Advance rent received	31.76	36.42
Total	**73.48**	**70.59**

NOTE 28: PROVISIONS (CURRENT)

Particulars	As at March 31, 2025	As at March 31, 2024
Provision for gratuity (funded) (Refer note 45(vi))	1.72	1.03
Provision for leave encashment (unfunded)	13.32	10.39
Provision for Warranty (Refer note 41)	30.71	15.04
Total	**45.75**	**26.46**

NOTE 29: REVENUE FROM CONTRACTS WITH CUSTOMER

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Revenue from contract with customers		
Sale of goods	20,163.05	18,601.41
Sale of services	834.05	757.60
Other operating Income		
Production Linked Incentive Income (refer note 65)	426.65	431.53
Process Scrap income	28.88	26.70
Total	**21,452.63**	**19,817.24**

The group derives its revenue from contract with customers for the transfer of goods and services at a point in time in a manner in which the they transfers the control of goods and services to customers. The group is engaged mainly in the business of manufacture, sale and servicing of networking products.

Contract Balances

Movement in contract Liabilities during the year	Advance from Customers	
	Current Year	Previous year
Opening balance	3.87	154.73
Less: Revenue recognised	2.70	154.73
Add: Amount received	6.06	3.87
Closing balance	**7.23**	**3.87**

NOTE 30: OTHER INCOME

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
On financial assets measured at amortised cost		
Interest on deposits with banks	67.65	95.19
Interest on deposits with financial institutions	101.12	113.27
Interest Income on bonds	377.31	360.54
Interest Income on security deposits	1.58	1.47

(Amount in INR Lakhs, unless otherwise stated)

NOTE 30: OTHER INCOME (CONTD.)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Foreign exchange gain (net)	51.22	38.64
Interest on income tax refund	2.78	14.41
Sundry balances written back	-	0.06
Recovery of trade receivables earlier written off	2.78	2.90
Security deposit written off now received	-	0.32
Rent income	156.50	87.30
Fair value gain *	427.66	443.01
Duty drawback	-	12.83
Gain on sale of property, plant and equipment (net)	-	4.11
Scrap income	-	1.62
Miscellaneous income	2.41	1.50
Total	**1,191.01**	**1,177.17**

* Fair Value gain includes unrealised amount of INR 40.11 lakhs (March 31, 2024 INR 216.62 lakhs)

NOTE 31: COST OF RAW MATERIALS CONSUMED

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Inventory at the beginning of the year	374.15	1,047.56
Add: Purchases	8,507.23	6,505.69
Less: Inventory at the end of the year	(545.89)	(374.15)
Total	**8,335.49**	**7,179.10**

NOTE 32: PURCHASE OF STOCK-IN-TRADE

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Networking products	9,631.01	8,524.54
Total	**9,631.01**	**8,524.54**

NOTE 33: CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Inventories at the beginning of the year		
Finished goods		
- Manufactured	0.47	172.08
- Traded	1,845.25	1,559.36
Work-in-progress	0.33	515.73
	1,846.05	**2,247.17**
Finished goods		
- Manufactured	2.29	0.47
- Traded	2,348.04	1,845.25
Work-in-progress	47.54	0.33
	2,397.87	**1,846.05**
	(551.82)	**401.12**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 34: EMPLOYEE BENEFITS EXPENSES

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Salaries and wages	2,189.64	1,792.45
Contribution to provident and other funds (Refer note 45)	56.25	53.04
Staff welfare expenses	73.98	77.68
Gratuity expenses (Refer Note 45)	22.96	22.01
Total	**2,342.83**	**1,945.18**

NOTE 35: FINANCE COSTS

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Interest on bank overdraft account	33.83	26.98
Interest on term loan	74.12	104.20
Interest on long term loan	-	19.04
Interest on deposits	3.56	1.50
Interest on delayed payments to MSME vendors	0.15	0.07
Interest on others	3.08	7.30
Interest on loan from directors	16.90	38.40
Interest on lease liabilities	22.49	26.18
Total	**154.13**	**223.67**

NOTE 36: DEPRECIATION AND AMORTISATION EXPENSE

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Depreciation on property, plant and equipment (refer note 5)	336.34	320.11
Amortization on intangible assets (refer note 6)	-	-
Depreciation on investment property (refer note 7)	36.79	26.35
Total	**373.13**	**346.46**

NOTE 37: OTHER EXPENSES

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Lease rent and license fees	36.14	33.24
Repairs and maintenance		
- Machinery	0.85	0.48
- Others	51.46	75.77
Insurance charges	59.83	68.72
Communication expenses	18.60	19.60
Travel and conveyance expenses	109.71	137.23
Advertisement and publicity expenses	150.77	157.11
Legal and professional charges	552.97	298.85
Freight outward	120.81	148.46
Servicing expenses	41.78	52.33
Warranty provision movement	30.29	25.72

(Amount in INR Lakhs, unless otherwise stated)

NOTE 37: OTHER EXPENSES (CONTD.)

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Consumption of store and spares	25.80	59.71
Power and fuel	146.18	134.48
Director's fees	28.87	28.68
Auditor's fees and expenses (refer footnote 1)	23.00	26.80
Rates and taxes	21.25	45.73
Computer consumables, software and maintenance charges	62.65	60.57
Office expenses	55.41	44.99
Bank charges and commission	19.05	17.66
Application, registration & filing fees	5.27	0.75
Printing and stationery expenses	7.20	6.52
Sundry balance written off	0.09	-
Expected credit loss on trade receivables	11.87	-
Product development expenses	190.66	-
Miscellaneous expense	55.19	61.09
Total	**1,825.70**	**1,504.49**

Footnotes:-

1 **Payment to Auditors**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Charged to auditor's fees and expenses		
Statutory audit fees including GST expensed	21.54	23.97
Reimbursement of expenses including GST expensed	0.59	0.34
	22.13	24.31
Other certification fees including GST expensed	0.87	2.49
Total	**23.00**	**26.80**

NOTE 38: INCOME TAX EXPENSE

(A) Deferred tax relates to the following:

Particulars	As At March 31, 2025	As At March 31, 2024
Deferred tax assets		
On account of timing difference in retiral and other employee benefits	47.88	35.83
on account of fair value of financial assets designated at FVTOCI	1.71	1.71
Provision for doubtful debts / advances	9.60	6.61
On disallowance u/s 40a of Income Tax Act, 1961	26.30	18.96
On business losses	473.98	431.82
On provision for slow moving stock	122.12	83.38
Others	**31.01**	**25.54**
	712.60	**603.85**
Deferred tax liabilities		
On property, plant and equipment	134.48	180.11
on account of fair value of financial assets designated at FVTPL	274.34	264.96
	408.82	**445.07**
Deferred tax liability (Net)	**303.78**	**158.78**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 38: INCOME TAX EXPENSE (CONTD.)

(B) Reconciliation of deferred tax assets/ (liabilities) (net):

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Opening balance as of 1 April	158.78	267.03
Tax assets / (liabilities) recognized in statement of profit and loss	125.96	(113.63)
Tax assets / (liabilities) recognized in OCI		
- On re-measurements gain/(losses) of post-employment benefit obligations	19.04	5.38
Closing balance as at 31 March	**303.78**	**158.78**

(C) Deferred tax assets/ (liabilities) to be recognized in statement of profit and loss

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Tax liability	-	-
Tax asset	125.96	(113.63)
Deferred tax assets/ (liabilities) to be recognized in statement of profit and loss	**125.96**	**(113.63)**

(D) Income tax expense reported in the statement of profit or loss

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
- Current tax	-	51.67
- Adjustments in respect of current income tax of previous year	(1.38)	(1.40)
- Deferred tax charge / (income)	(125.96)	113.63
Income tax expense reported in the statement of profit or loss	**(127.34)**	**163.90**

(E) Income tax expense charged / (credit) to OCI

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Net loss/(gain) on remeasurements of defined benefit plans	(19.04)	(5.38)
Income tax expense charged / (credit) to OCI	**(19.04)**	**(5.38)**

(F) Reconciliation of tax charge

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Profit before tax	533.17	869.85
Tax rate	25.168%	25.168%
Income tax expense at tax rates applicable	134.19	218.92
Tax effects of:		
- Item not deductible for tax	5.27	5.51
- brought forward losses adjustments	(280.86)	(74.85)
- Leasehold land amortisation not claimed in income tax	2.03	2.03
- Others	13.42	13.69
Effect of unrecognized deferred tax assets (net)	-	-
Earlier year adjustment	(1.38)	(1.40)
Income tax expense	**(127.34)**	**163.90**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 39: BASIS FOR PREPARATION OF CONSOLIDATED FINANCIAL STATEMENTS (CFS)

a) The Consolidated Financial Statements (CFS) are prepared in accordance with the requirements of Indian Accounting Standard, 'Consolidated Financial Statements' (IndAS) 110, as notified under Section 133 of the Companies Act, 2013 (the""Act"") read with the Companies (Indian Accounting Standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendment Rules, 2016. The CFS comprises the financial statements of Smartlink Holdings Limited and its subsidiary.

The subsidiary included in the consolidated financial statements is as under:

Name of the Company	Nature of business	% of shareholding
Digisol Systems Limited	Developing, manufacturing, selling, marketing and servicing of various categories of Networking and Information Technology (IT) products.	100%

b) During the year, the Hon'ble National Company Law Tribunal (NCLT), Mumbai Bench vide its order dated January 09, 2025 has approved the 'Scheme of Amalgamation ('Scheme')' of a subsidiary namely Synegra EMS Limited (Synegra) (Transferor Company) with the holding Company (Transferee Company) with appointed date April 01, 2024. The parent Company has filed the certified copy of the said order along with the requisite form with the Registrar of Companies, Goa on January 31, 2025 (effective date).

c) The 'Scheme' has accordingly been given effect in the financial statements of the Company from the appointed date. Accordingly, the figures presented in the financial statements are after giving effect to the said Scheme. The 'Scheme' being a common control transaction, as per the requirement of Appendix C of Ind AS 103 on Business Combinations, the pooling of interest method has been applied and the comparative figures have been restated for the accounting impact of the Scheme.

d) The effects of the 'Scheme' has been accounted for in the books of accounts of the Parent Company in accordance with the Scheme and is in accordance with the Indian Accounting Standards. The difference between the consideration and the value of net assets and reserves and surplus of Synegra transferred to the Company has been adjusted against the capital reserves account of the Company, in accordance with the 'Scheme'.

e) The financial statements for the earlier periods were prepared in accordance with Division III of Schedule III to the Companies Act, 2013, applicable to Non-Banking Financial Companies (NBFCs). Pursuant to the merger, the Company no longer meets the criteria of an NBFC. Accordingly, the financial statements for the current period have been prepared in accordance with Division II – Ind AS Schedule III to the Companies Act, 2013.

NOTE 40: EARNINGS/ (LOSS) PER SHARE

Basic earnings /(loss) per share amounts are calculated by dividing the profit/(loss) for the year attributable to equity holders by the weighted average number of equity shares outstanding during the year.

The weighted average number of ordinary shares outstanding during the period is the number of ordinary shares outstanding at the beginning of the period, adjusted by the number of ordinary shares bought back or issued during the period multiplied by a time-weighting factor. The time-weighting factor is the number of days that the shares are outstanding as a proportion of the total number of days in the year.

The following reflects the income and share data used in the basic and diluted EPS computations:

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Ordinary equity shareholders		
Profit / (Loss) attributable to ordinary equity holders	660.51	705.95
Weighted average number of equity shares in lakhs	99.75	99.75
Face Value per share	2	2
Basic earnings per share (INR)	6.62	7.08
Diluted earnings per share (INR)	6.62	7.08

(Amount in INR Lakhs, unless otherwise stated)

NOTES 41: PROVISIONS

Provision for Warranty

The Company gives warranties on active products, undertaking to repair / replace products, which fail to perform satisfactorily during the warranty period. Warranty provision is made on the cost of material estimated to be incurred on servicing / replacement of active products in future, considering the warranty period of 3-5 years. The provision is determined taking into consideration the historical data of cost incurred on servicing / rectifying product failures.

Movement of warranty provisions	As at March 31, 2025	As at March 31, 2024
At the beginning of the period	62.34	36.62
Add: Additional provision created	30.29	25.72
Less: Provision written back (net of additions)	-	-
As at the end of the period	**92.63**	**62.34**
Classified as:		
Non Current	61.92	47.30
Current	30.71	15.04
Total	**92.63**	**62.34**

NOTE 42: CONTINGENT LIABILITIES

Particulars	As at March 31, 2025	As at March 31, 2024
(i) Disputed demands of custom duty INR 10.30 lakhs pending before the Customs Appeals (Amount deposited under protest INR 10.30 lakhs) in connection with classification of networking products. Appeal is decided against Company and in process of filing Appeal in CESTAT.	10.30	10.30
(ii) Disputed demand of income tax INR 12.20 lakhs pending before Income Tax Appeals in connection with disallowance of business expenditure of INR 58.16 lakhs. (Pre Deposit paid against the same INR 2.45 lakhs)	12.20	-
(iii) Bank guarantees given in favour of Electricity Department - Government of Goa	65.61	65.61
(iv) Corporate guarantees given in favour of banks on behalf of Digisol Systems Limited (Wholly owned subsidiary)		
HDFC Bank Limited	3,000.00	3,000.00
Bajaj Finance Limited	-	2,000.00
(v) CESTAT has allowed the Appeal in favour of Company against disputed demands of custom duty in connection with classification of Switches and Transceiver.	-	13.54
(vi) Disputed demands of custom duty against show cause notice issued by Customs Department in connection with classification of Ethernet Switches.	-	38.99
(v) Mutual Fund pledged against overdraft facility obtained by Digisol Systems Limited (wholly owned subsidiary) for an amount not exceeding INR 500 lakhs.(refer note 13)	500.00	300.00
(vi) Mutual Fund pledged against overdraft facility obtained by The Company.	**-**	**200.00**
Total	**3,588.11**	**5,628.44**

(Amount in INR Lakhs, unless otherwise stated)

NOTE 43: ASSETS PLEDGED AS SECURITY

The carrying amounts of assets pledged as security for current and non-current borrowings are:

Particulars	Notes	As at March 31, 2025	As at March 31, 2024
Current assets			
Bank balances other than cash and cash equivalent	15 and 16	300.00	631.63
Inventories	12	2,943.76	2,220.20
Trade Receivables	14	5,657.96	5,749.33
Investments - mutual funds*	13	644.67	671.01
Total Current assets pledged as security		**9,546.39**	**9,272.17**
Non-Current assets			
Property, plant and equipment	5	-	300.00
Total Non-Current assets pledged as security		-	300.00
Total Assets pledged as security		**9,546.39**	**9,572.17**

* Mutual Fund pledged against overdraft facility for an amount not exceeding INR 500 lakhs in the current year and Previous year.

NOTE 44: CAPITAL AND OTHER COMMITMENTS

Particulars	As at March 31, 2025	As at March 31, 2024
Estimated amount of contracts remaining to be executed on capital account	310.44	166.98
Non-cancellation lease liabilities undiscounted basis net of liability recognised (Refer Note 46)	696.64	708.29

NOTE 45: EMPLOYEE BENEFITS

(A) Defined Contribution Plans

During the year, the Group has recognized the following amounts in the Statement of Profit and Loss:

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Employer's Contribution to Provident Fund and Pension Fund	50.22	45.99
Employer's contribution to Employee State Insurance	2.45	3.96
Employer's contribution to National Penson Scheme	3.51	2.82
Employer's contribution to Professional Tax	0.08	0.27
Total	**56.26**	**53.04**

(B) Defined benefit plans

a) Gratuity payable to employees

The Group has a defined benefit gratuity plan and governed by payment of Gratuity Act, 1972. Every employee who has completed five years or more of services is entitled to a gratuity on departure at 15 days of last drawn salary for each completed year of services. The scheme is funded through a policy with LIC.

Particulars	As at March 31, 2025	As at March 31, 2024
i) Actuarial assumptions		
Discount rate (per annum)		
- Smartlink Holdings Limited	6.66%	6.97%
- Digisol Systems Limited	6.72%	6.97%
Rate of increase in Salary		
- Smartlink Holdings Limited	8.00%	6.00%
- Digisol Systems Limited	8.00%	6.00%
Mortality	IALM (2012-14) Ult	IALM (2012-14) Ult

NOTE 45: EMPLOYEE BENEFITS (CONTD.)

Particulars	As at March 31, 2025	As at March 31, 2024
ii) Changes in the present value of defined benefit obligation		
Present value of obligation at the beginning of the year	232.42	181.31
Interest cost	13.09	12.85
Current service cost	17.98	17.37
Benefits paid	(16.86)	(14.64)
Actuarial (gain)/ loss on obligations - Due to change in Financial Assumptions	29.29	30.39
Actuarial (gain)/ loss on obligations - Due to experience	49.22	5.14
Present value of obligation at the end of the year	**325.14**	**232.42**
iii) Change in the fair value of plan assets:		
Opening fair value of plan assets	143.12	123.04
Expected return on plan assets	8.11	8.21
Contributions by employer	20.10	25.00
Benefits paid	(16.86)	(14.64)
Return on plan assets excluding interest income	2.85	1.51
Closing fair value of plan assets	**157.32**	**143.12**

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
iv) Expense recognized in the Statement of Profit and Loss		
Current service cost	17.98	17.37
Interest cost	4.98	4.64
Total expenses recognized in the Statement Profit and Loss*	**22.96**	**22.01**

* Included in Employee benefits expense (Refer Note 34).

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
v) Expense recognized in Other comprehensive income		
Actuarial (gain) / loss on Obligation for the period	78.51	35.53
Return on plan assets excluding interest income	(2.85)	(1.51)
Net actuarial (gains) / losses recognised in OCI	**75.66**	**34.02**

Particulars	As at March 31, 2025	As at March 31, 2024
vi) Assets and liabilities recognized in the Balance Sheet:		
Present value of obligation as at the end of the year	(325.14)	(232.42)
Fair Value of Plan Assets at the end of the year	157.32	143.12
Net asset / (liability) recognized in Balance Sheet*	**(167.82)**	**(89.30)**

*Included in provision for employee benefits (Refer note 23 and 28)

vii) Expected contribution to the fund in the next year INR 36.94 lakhs

viii) A quantitative sensitivity analysis for significant assumption is as shown below:

Particulars	As at March 31, 2025		As at March 31, 2024	
	Discount rate	Salary escalation rate	Discount rate	Salary escalation rate
1% increase	291.46	358.69	207.48	256.92
1% decrease	359.52	291.62	257.01	207.15

(Amount in INR Lakhs, unless otherwise stated)

ix) Maturity profile of defined benefit obligation

Years	As at March 31, 2025	As at March 31, 2024
Year 1	1.72	1.20
Year 2	9.75	1.54
Year 3	7.31	8.35
Year 4	24.21	6.75
Year 5	38.19	20.43
Year 6 to 10	126.44	111.56

NOTE 46: LEASES

(A) Operating leases where Company is a lessee:

When the intermediate lessor enters into the sublease which is classified as Operating lease, It retains the lease liability and the Right-of-Use asset (RoU) relating to the head lease in its statement of financial position. During the term of the sublease, the intermediate lessor: Recognises a depreciation charge for the right-of-use asset and interest on the lease liability and lease income from the sublease.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2025:

Particulars	Category of ROU Asset		
	Land & Buildings	Prepaid Rent	Total
Balance as on April 01, 2023	261.42	6.66	**268.08**
Additions	-	-	-
Depreciation	50.14	1.18	51.32
Deletions	-	-	-
Balance as on March 31, 2024	211.28	5.48	216.76
Additions	18.23	-	18.23
Depreciation	49.60	1.63	51.23
Deletions	-	-	-
Balance as on March 31, 2025	**179.91**	**3.85**	**183.76**

The aggregate depreciation expense on ROU assets is included under depreciation and amortization expense in the statement of Profit and Loss.

The following is the movement in lease liabilities during for the year ended March 31, 2025:

Particulars	Amount
Balance as on April 01, 2023	**340.40**
Additions	-
Deletion/Derecognition	-
Finance cost accrued during the period	26.18
Payment of lease liabilities	(67.33)
Balance as on 31 March, 2024	**299.25**

Particulars	Amount
Balance as on 01 April 2024	**299.25**
Additions	18.23
Deletion/Derecognition	-
Finance cost accrued during the period	22.49
Payment of lease liabilities	(69.93)
Balance as on 31 March, 2025	**270.04**

NOTE 46: LEASES (CONTD.)

The table below provides details regarding the contractual maturities of lease liabilities as at March 31, 2025 on an undiscounted basis:

Particulars	As at March 31, 2025	As at March 31, 2024
Less than one year	69.99	68.98
One to five years	133.99	173.03
More than five years	774.61	786.20
Total	**978.59**	**1,028.21**

The Group does not face a significant liquidity risk with regard to its lease liabilities as the current assets are sufficient to meet the obligations related to lease liabilities as and when they fall due.

Lease rentals paid on short term leases for March 31, 2025 INR NIL (March 31, 2024 INR NIL)

(B) Operating leases where Company as a lessor:

The Group has entered into cancellable operating leases on its investment property portfolio consisting of certain office and manufacturing buildings. These leases have terms of between 11 months to 60 months. Certain leases include a clause to enable upward revision of the rental charge on an annual basis according to prevailing market conditions.

The total rental income on assets given on operating leases amounts to INR 156.50 lakhs for the year ended March 31, 2024 (March 31, 2024 INR 87.30 lakhs).

Future minimum rentals receivables under operating leases as at March 31 are, as follows:

Particulars	As at March 31, 2025	As at March 31, 2024
Within one year	307.26	82.43
After one year but not more than five years	625.46	168.71
More than five years	456.97	-

NOTE 47: RELATED PARTY DISCLOSURES:

(A) Names of related parties and description of relationship as identified and certified by the Group:

Enterprise over which key management person is able to exercise significant influence.

Mr. Kamalaksha R. Naik (HUF)

Telebox Industries Corp (Not applicable w.e.f May 04, 2023 post amalgamation)

Epicurious Hospitality LLP

Key Management Personnel (KMP)

Mr. Kamalaksha R. Naik - Executive Chairman

Mr. Krishnanand M. Gaonkar - Non Executive Independent Director (retired w.e.f. March 31, 2024)

Mr. Bhanubhai R. Patel - Non Executive Independent Director (retired w.e.f. September 08, 2024)

Mr. Pankaj M. Baliga - Non Executive Independent Director (retired w.e.f. March 31, 2024)

Mr. Pradeep A. Rane - Non Executive Independent Director

Ms. Arati K. Naik - Executive Director

Mr. Nitin Kunkolienker - Non-Executive Independent Director (appointed w.e.f. February 10, 2025)

Mr. C. M. Gaonkar - Non Executive Independent Director (appointed w.e.f. May 9, 2024)

Mr. Satish Godbole - Non Executive Independent Director (appointed w.e.f. March 31, 2024)

Dr. Lakshana A. Sharma – Non Executive Non Independent Director (appointed w.e.f. March 31, 2024)

Mr. K. G. Prabhu - Chief Financial Officer

Ms. Urjita Damle - Company Secretary (Resigned w.e.f. August 11, 2024)

Mr. Edlan Fernandes - Company Secretary (Appointed w.e.f. August 12, 2024) (Synegra EMS Limited - ceased w.e.f. August 11, 2024)

Mr. Pranav Shet - Company Secretary - Synegra EMS Limited (Appointed w.e.f. November 11, 2024 to January 31, 2025)

Mr. Ray Chang - Director (Telesmart SCS Limited) (retired w.e.f May 04, 2023 post amalgamation)

Relatives of key management personnel:

Ms. Arati K. Naik

Mrs. Sudha K. Naik

Mrs. Lakshana A. Sharma

(Amount in INR Lakhs, unless otherwise stated)

NOTE 47: RELATED PARTY DISCLOSURES (CONTD.)

(B) Details of transactions with related party in the ordinary course of business for the year ended:

Particulars	March 31, 2025		March 31, 2024	
	Enterprise over which key management person is able to exercise significant influence	Key Management Personnel/ Relative of Key management personnel	Enterprise over which key management person is able to exercise significant influence.	Key Management personnel/ Relative of Key management personnel
Salary				
Mr. K. G. Prabhu				
Short-term employee benefits	-	51.63	-	50.28
Post-employment benefits	-	0.22	-	0.22
Mrs. Urjita Damle - Company Secretary				
Short-term employee benefits	-	11.20	-	17.32
Post-employment benefits	-	0.22	-	0.22
Mr. Edlan Fernandes - Company Secretary				
Short-term employee benefits	-	5.65	-	-
Post-employment benefits	-	0.13	-	-
Mr. Edlan Fernandes - Company Secretary (Synegra EMS Limited)				
Short-term employee benefits	-	3.56	-	7.54
Post-employment benefits	-	0.09	-	0.22
Mr. Pranav Shet - Company Secretary (Synegra EMS Limited)				
Short-term employee benefits	-	1.21	-	-
Post-employment benefits	-	0.06	-	-
Director Sitting Fees				
Mr. Krishnand M. Gaonkar	-	-	-	7.05
Mr. Pankaj M. Baliga	-	-	-	7.05
Mr. Pradeep A. Rane	-	7.50	-	5.00
Mr. Bhanubhai R. Patel	-	4.05	-	6.00
Mr. Satish Godbole	-	9.05	-	-
Mr. C. M. Gaonkar	-	3.50	-	-
Dr. Lakshana A. Sharma	-	1.50	-	-
Mr. Nitin A. Kuncolienkar	-	2.00	-	2.00
Mr. Ray Chang	-	-	-	-
Rent Expense				
Ms. Aarti K. Naik	-	2.40	-	2.40
Interest on Loan				
Mr. Kamalaksha R. Naik	-	16.90	-	38.40
Loan repaid				
Mr. Kamalaksha R. Naik	-	500.00	-	750.00
Payment to Individual Shareholder towards amalgamation				
Telebox Industries Corp	-	-	20.60	-
Mr. Ray Chang	-	-	-	20.60

Balances due from and due to related parties

Particulars	As at March 31, 2025	As at March 31, 2024
Amount due to related party as on:		
Key Management Personnel		
Mr. Kamalaksha R Naik	-	500.00

Terms and conditions of transactions with related parties

The transactions with related parties are made on terms equivalent to those that prevail in arm's length transactions.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 48: FAIR VALUES OF FINANCIAL ASSETS AND FINANCIAL LIABILITIES

A. Accounting classification and fair values

The following table shows the carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy. It does not include fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

B. Measurement of fair value

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The following methods and assumptions were used to estimate the fair values:

1. Fair value of cash, bank balances, short-term deposits, other short-term receivables, trade payables and other financial liabilities approximate their carrying amounts largely due to short-term maturities of these instruments.
2. The fair value of non-current financial assets comprising of term deposits at amortised cost using Effective Interest Rate (EIR) are not significantly different from the carrying amount.
3. The fair value of Lease liabilities are calculated based on cash flows discounted using a current lending rate. They are classified at level 3 in the fair value hierarchy due to the inclusion of unobservable inputs including own and counterparty credit risk.

NOTE 49: FAIR VALUE HIERARCHY

The following is the hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1 - Quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2 - Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3 - Inputs for the assets or liabilities that are not based on observable market data (unobservable inputs).

The following table presents fair value hierarchy of assets and liabilities measured at fair value on a recurring basis:

Fair value measurement hierarchy of assets and liabilities

Particulars	Fair value hierarchy	As at March 31, 2025	As at March 31, 2024
FINANCIAL ASSETS			
Financial assets measured at amortized cost			
Investments in Debt securities	Level 3	3,982.49	4,727.99
Fixed Deposits	Level 3	1,768.68	2,191.89
Security Deposits	Level 3	37.89	29.76
Trade receivables	Level 3	5,657.96	5,749.33
Financial assets measured at fair value through profit or loss			
Investments in mutual funds	Level 2	5,173.34	6,931.32
FINANCIAL LIABILITIES			
Financial liabilities measured at amortised cost	Level 3	52.21	49.55
Lease Liabilities	Level 3	270.04	299.25
Asset retirement obligation	Level 3	10.08	9.30
Trade Payable	Level 3	3,586.53	3,860.43

There have been no transfers between Level 1 and Level 2 during the year

(Amount in INR Lakhs, unless otherwise stated)

NOTES 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Group is exposed to various financial risks. These risks are categorized into market risk, credit risk and liquidity risk. The Group's risk management is coordinated by the Board of Directors and focuses on securing long term and short term cash flows. The Group does not engage in trading of financial assets for speculative purposes.

(A) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises of risk interest rate risk and price risk.

(i) Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. In order to optimise the Group's position with regards to interest income, treasury team manages the interest rate risk by diversifying its portfolio across tenures.

(ii) Price risk

The Group's exposure to securities arises from investments held by the Group and classified in the Balance Sheet as fair value through OCI.

(ii) Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a different currency from the holding Company's functional currency).

(a) The Company's exposure to foreign currency risk at the end of the year is as follows

Particulars	Currency	As at March 31, 2025	As at March 31, 2024
Trade Receivables	USD	206.86	238.42
Trade Payables	USD	520.04	958.64

(b) Foreign currency sensitivity

The following table details the Company's sensitivity to a 1% increase and decrease against the US Dollar. 1% is the sensitivity used when reporting foreign currency risk internally to key management personnel and represents management's assessment of the reasonably possible change in foreign exchange rates. The sensitivity analysis includes only net outstanding foreign currency denominated monetary items and adjusts their translation at the period end for a 1% change in foreign currency rates.

Particulars	As at March 31, 2025	As at March 31, 2024
Impact of 1% strengthening against USD - Decrease in loss	7.27	11.97
Impact of 1% weakening against USD- Increase in loss	7.27	11.97

(B) Credit risk

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations. Credit risk primarily arises from cash equivalents, trade receivables, financial assets measured at amortised cost and financial assets measured at fair value through profit or loss. The maximum exposure to credit risk is equal to the carrying value of the financial assets. The objective of managing counterparty credit risk is to prevent losses in financial assets.

For trade receivables, credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Group grants credit terms in the normal course of business. The Group establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade and other receivables.

For other financial assets and investments, the Company has an investment policy which allows the Company to invest only with counterparties having a good credit rating. The Company reviews the creditworthiness of these counterparties on an on-going basis. Counterparty limits maybe updated as and when required subject to approval of Board of Directors.

The Company limits its exposure to credit risk of cash held with banks by dealing with highly rated banks and institutions and retaining sufficient balances in bank accounts required to meet a month's operational costs. The Management reviews the bank accounts on regular basis and fund drawdowns are planned to ensure that there is minimal surplus cash in bank accounts.

The Company's maximum exposure to credit risk for the components of the balance sheet at March 31, 2025 and March 31, 2024 is the carrying amounts as mentioned in Note 8, 9, 13, 14, 15, 16, 17 and 18.

(C) Liquidity risk

The Group's principal sources of liquidity are 'cash and cash equivalents' and cash flows that are generated from operations. The Group believes that its working capital is sufficient to meet the financial liabilities within maturity period. The Company has no borrowings. Additionally, the Group has invested its surplus funds in fixed income securities or instruments of similar profile thereby ensuring safety of capital and availability of liquidity as and when required. Hence, the Group carries a negligible liquidity risk.

(Amount in INR Lakhs, unless otherwise stated)

NOTES 50: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (CONTD.)

The table below summarizes the maturity profile of the Company's financial liabilities:

Particulars	Less than 3 months	3 to 12 months	1 year to 5 years	More than 5 years	Total
As at 31st March, 2025					
Short term borrowings	117.25	-	-	-	117.25
Long-term borrowings	-	-	-	-	-
Lease Liability	13.22	36.00	73.57	147.25	270.04
Trade payables	3,586.53	-	-	-	3,586.53
Other financial liabilities	93.04	-	-	-	93.04
	3,810.04	**36.00**	**73.57**	**147.25**	**4,066.86**
As at 31st March, 2024					
Short term borrowings	2,755.37	-	-	-	2,755.37
Long-term borrowings		-	108.00	-	108.00
Lease Liability	12.92	29.29	109.84	147.20	299.25
Trade payables	3,860.43	-	-	-	3,860.43
Other financial liability	363.86	-	-	-	363.86
	6,992.58	**29.29**	**217.84**	**147.20**	**7,386.91**

NOTE 51: SEGMENT INFORMATION

The Executive-Chairman of the Parent Company acts as the chief operating decision maker (CODM) of the group in accordance with Operating Segment (Ind AS 108), for purpose of assessing the financial performance and position of the Company, and make strategic decisions. During the year the parent Company has surrendered its NBFI - non deposit taking license to the Reserve Bank of India, subsequent to merger of its Subsidiary. Accordingly, the groups business activities are mainly related to developing, manufacturing, marketing, distributing and servicing networking products. These networking products are sold to distributors, Original Equipment Manufacturers (OEM's) and System Integrators (SI) ,which are primarily assessed as a single reportable operating segment in accordance with Ind AS 108 by the CODM.

The information related to secondary segment is based on geographical areas:

(A) Revenue from operations

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Within India	20,765.25	18,496.71
Outside India	687.38	1,320.53
Total	**21,452.63**	**19,817.24**

(B) Non-current operating assets

All non–current assets other than financial instruments, deferred tax assets of the company are located in India.

(C) Details of customers contributing to more than 10% of total revenue are as below

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
Customer A	5,272.77	5,001.78
Customer B	1,769.74	816.84

(Amount in INR Lakhs, unless otherwise stated)

NOTE 52:

The Group has not given Loans or Advances in the nature of loans to Promoters, Directors, Key Management Personnel and the related parties (as defined under Companies Act, 2013), either severally or jointly with any other person.

NOTE 53: INTANGIBLE ASSETS UNDER DEVELOPMENT

The Group does not have any Intangible assets under development during the current year and the previous year.

NOTE 54: DETAILS OF BENAMI PROPERTY HELD

The Group does not have any Benami property, where any proceeding has been initiated or pending against the Group for holding any Benami property.

NOTE 55: RECONCILIATION OF QUARTERLY RETURNS OR STATEMENTS OF CURRENT ASSETS FILED WITH BANKS OR FINANCIAL INSTITUTIONS

Monthly returns / statements are filed with such Banks/ financial institutions are in agreement with the books of account.

NOTE 56: WILFUL DEFAULTER

The Group has not been declared a wilful defaulter by any bank or financial Institution.

NOTE 57: RELATIONSHIP WITH STRUCK OFF COMPANIES UNDER SECTION 248 OF THE COMPANIES ACT, 2013 OR SECTION 560 OF COMPANIES ACT, 1956.

The Group does not have any transactions with companies struck off under section 248 of the Companies Act, 2013 or section 560 of Companies Act, 1956,

NOTE 58: REGISTRATION OF CHARGES OR SATISFACTION WITH REGISTRAR OF COMPANIES

The Group does not have any charges or satisfaction which is yet to be registered with Registrar of Companies beyond the statutory period.

NOTE 59: COMPLIANCE WITH NUMBER OF LAYERS OF COMPANIES

The Group has complied with the number of layers prescribed under clause (87) of section 2 of the Act read with the Companies (Restriction on number of Layers) Rules, 2017.

NOTE 60: UTILISATION OF BORROWED FUNDS AND SHARE PREMIUM

(i) The Group has not advanced or loaned or invested funds to any other person(s) or entity(ies), including foreign entities (Intermediaries) with the understanding that the Intermediary shall:

    (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Group (Ultimate Beneficiaries) or

    (b) provide any guarantee, security or the like to or on behalf of the Ultimate Beneficiaries

(ii) The Group has not received any fund from any person(s) or entity(ies), including foreign entities (Funding Party) with the understanding (whether recorded in writing or otherwise) that the Group shall:

    (a) directly or indirectly lend or invest in other persons or entities identified in any manner whatsoever by or on behalf of the Funding Party (Ultimate Beneficiaries) or

    (b) provide any guarantee, security or the like on behalf of the Ultimate Beneficiaries.

(Amount in INR Lakhs, unless otherwise stated)

NOTE 61: RATIOS

Sr. No.	Ratio	Formula	March 31, 2025		March 31, 2024		Ratio as on		Variation (%)	Reason (If variation is more than 25%)
			Numerator	Denominator	Numerator	Denominator	March 31, 2025	March 31, 2024		
(a)	Current Ratio	Current Assets / Current Liabilities Current Assets = Total current assets Current Liabilities = Total current liabilities	16,976.81	4,355.31	18,155.51	7,132.43	3.90	2.55	53%	Change on account of repayment of borrowing and lower trade payables
(b)	Debt-Equity Ratio	Debt / Equity Debt = Borrowings (Current + Non Current) Equity = Equity share Capital + Other equity	117.25	19,631.50	2,863.37	19,027.61	0.01	0.15	-96%	Change on account of repayment of borrowing and increase in other equity on account of profit during the year
(c)	Debt Service Coverage Ratio	Net Operating Income / Debt Service Net Operating income = P/L after Tax + Depreciation + Finance cost Debt Service = Finance cost + (Current Borrowings + Current lease liability)	1,187.77	378.30	1,276.08	3,078.62	3.14	0.41	657%	Change on account of repayment of current borrowing
(d)	Return on Equity Ratio	Profit after tax less pref. Dividend x 100 / Shareholder's Equity Profit after tax less pref. Dividend = Profit/(Loss) for the year Shareholder's Equity = Equity share Capital	660.51	199.50	705.95	199.50	3.31	3.54	-6%	
(e)	Inventory Turnover Ratio	Cost of Goods Sold / Average Inventory Cost of Goods Sold = Cost of raw materials consumed + Changes in inventories of finished goods and work-in-progress Average Inventory = (Closing inventory + Opening Inventory)/2	17,414.68	2,606.56	16,104.76	2,787.50	6.68	5.78	16%	
(f)	Trade Receivables Turnover Ratio	Net Credit Sales / Average Trade Receivables Net Credit Sales = Sale of manufactured products + Service Job Work Average Trade Receivables = (Closing Trade receivables + Opening Trade receivables)/2	20,997.10	5,703.65	19,359.01	4,894.92	3.68	3.95	-7%	
(g)	Trade Payables Turnover Ratio	Net Credit Purchases / Average Trade Payables Net Credit Purchases = Purchases Average Trade Payables = (Closing Trade payable + Opening Trade payable)/2	8,507.23	3,723.48	6,505.69	3,783.21	2.28	1.72	33%	Change due to early/ advance payment to vendors for goods purchase during the year.
(h)	Net Capital Turnover Ratio	Revenue / Average Working Capital Revenue = Revenue from Operations Average Working Capital = ((Opening Current assets + Closing current assets)/2 + (Opening current liabilities + closing current liabilities)/2)	21,452.63	11,822.29	19,817.24	10,269.14	1.81	1.93	-6%	
(i)	Net Profit Ratio	Net Profit / Net Sales Net Profit = Profit/(Loss) before tax Net Sales = Revenue from Contract with Customers	533.17	21,025.98	869.85	19,385.71	0.03	0.04	-43%	on account of reduction in profit during the year
(j)	Return on Capital Employed	EBIT / Capital Employed EBIT = Profit/(Loss) before tax + Finance cost Capital Employed = Total Assets - Total Current liabilities	687.30	20,248.43	1,093.52	19,986.04	0.03	0.05	-38%	Decrease on account of reduction in interest cost as a result of repayment of borrowings and lower profits during the year.
(k)	Return on Investment	Net Profit / Net Investment Net Profit = Profit/(Loss) before tax Net Investment = Total equity	533.17	19,631.50	869.85	19,027.61	0.03	0.05	-41%	Decrease on account of lower profit during the year

(Amount in INR Lakhs, unless otherwise stated)

NOTE 62: UNDISCLOSED INCOME

The Company does not have any undisclosed income which is not recorded in the books of account that has been surrendered or disclosed as income during the year (previous year) in the tax assessments under the Income Tax Act, 1961 (such as, search or survey or any other relevant provisions of the Income Tax Act, 1961.

NOTE 63: DETAILS OF CRYPTO CURRENCY OR VIRTUAL CURRENCY

The Company has not traded or invested in Crypto currency or Virtual Currency during the years ended March 31, 2025 and March 31, 2024.

NOTE 64: CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders.

The Company have only overdraft facility from Bank and is cash surplus. The cash surpluses are currently invested in income generating debt instruments (including through mutual funds) and money market instruments depending on economic conditions in line with investment policy set by the Management. Safety of capital is of prime importance to ensure availability of capital for operations. Objective of investment policy is to provide safety and adequate return on the surplus funds.

No changes were made in the objectives, policies or processes for managing capital during the years ended March 31, 2025 and March 31, 2024.

NOTE 65: GOVERNMENT GRANTS

The company had received approval under the Production Linked Incentive (PLI) to promote Telecom and Networking Products manufacture in India (the PLI scheme) on October 31, 2022 from the Competent Authority. During the year ended March 31, 2025 on fulfilment of the conditions for eligibility of incentive under the PLI scheme, the Company has recognised incentive of INR 426.65 lakhs (Previous year INR 431.53 lakhs).

There are no amounts towards unfulfilled conditions and other Contingencies attached to the grant that have been recognised during the financial year ended March 31, 2025 (Previous year INR NIL).

NOTE 66:

The provisions of section 135 of Companies Act 2013, was not applicable to the entities of the Group and as such it was not required to spend 2% of average net profits made during the three immediately preceding financial years (March 31, 2024: INR NIL). The entities of the Group has not spent during the current year (March 31, 2024: INR NIL (including excess of earlier year)) towards Corporate Social Responsibility activities:

	Particulars	As at March 31, 2025	As at March 31, 2024
A.	Gross Amount required to be spent as per Section 135 of the Act	-	-
	Add: Amount Unspent from previous years	-	-
	Total Gross amount required to be spent during the year	-	-
B.	Amount approved by the Board to be spent during the year	-	-
C.	**Amount spent during the year on**		
	(i) Construction/acquisition of an asset	-	-
	(ii) On purposes other than (i) above	-	-

D. Details related to amount spent

Particulars	For the Year Ended March 31, 2025	For the Year Ended March 31, 2024
(i) Construction / acquisition of any asset	-	-
(ii) On purpose other than (i) above		
- Prime Minister's National Relief Fund	-	-
- Education purpose	-	-
Total	**-**	**-**

(Amount in INR Lakhs, unless otherwise stated)

E. **Details of excess CSR expenditure**

Nature of Activity	Balance excess as at April 01, 2024	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2025
- On purpose other than Construction / acquisition of any asset	(0.71)	-	-	(0.71)

Nature of Activity	Balance excess as at April 01, 2023	Amount required to be spent during the year	Amount spent during the year	Balance excess as at March 31, 2024
- On purpose other than Construction / acquisition of any asset	(0.71)	-	-	(0.71)

F. **Disclosures on Shortfall**

Particulars	As at March 31, 2025	As at March 31, 2024
Amount Required to be spent by the Company during the year	-	-
Actual Amount Spent by the Company during the year	-	-
PY Excess adjusted during the CY	0.71	0.71
Shortfall/(Excess) at the end of the year	(0.71)	(0.71)
Total of previous years shortfall	-	-
Reason for shortfall - State reasons for shortfall in expenditure	-	-

NOTE 67:

Disclosure required under Schedule III of Companies Act, 2013

Name of the Entity	Year ending	Net Assets, i.e. total assets minus total liabilities		Share in Profit or (Loss)		Share in Total Comprehensive Income	
		As % of consolidated net assets	Amount	As % of consolidated profit or loss	Amount	As % of consolidated profit or loss	Amount
Smartlink Holdings Limited (Consolidated)	31.03.2025	100.00	19,631.50	100.00	660.51	100.00	603.89
	31.03.2024	100.00	19,027.61	100.00	705.95	100.00	677.31
Parent							
Smartlink Holdings Limited	31.03.2025	101.93	20,011.09	38.41	253.68	36.07	217.80
	31.03.2024	104.02	19,793.30	87.24	615.87	88.44	598.99
Subsidiaries							
Digisol Systems Limited	31.03.2025	15.09	2,962.39	69.63	459.90	72.72	439.17
	31.03.2024	13.26	2,523.22	17.62	124.37	16.63	112.61
Elimination and Adjustment due to Consolidation	31.03.2025	(17.02)	(3,341.98)	(8.04)	(53.07)	(8.79)	(53.08)
	31.03.2024	(17.28)	(3,288.91)	(4.86)	(34.29)	(5.07)	(34.29)
Total	31.03.2025	100.00	19,631.50	100.00	660.51	100.00	603.89
	31.03.2024	100.00	19,027.61	100.00	705.95	100.00	677.31

NOTE 68:

As at March 31, 2025, the Group did not have any outstanding long term derivative contracts (previous year INR NIL).

(Amount in INR Lakhs, unless otherwise stated)

NOTE 69:

There were no whistleblower complaints received during the financial year 2024-25.

NOTE 70:

As per the Ministry of Corporate Affairs (MCA) notification, proviso to Rule 3(1) of the Companies (Accounts) Rules, 2014, for the financial year commencing April 1, 2023, every company which uses accounting software for maintaining its books of account, shall use only such accounting software which has a feature of recording audit trail of each and every transaction, creating an edit log of each change made in the books of account along with the date when such changes were made and ensuring that the audit trail cannot be disabled. The interpretation and guidance on what level edit log and audit trail needs to be maintained evolved during the year and continues to evolve.

The Group uses an accounting software and a payroll application for maintaining its books of account which has a feature of recording audit trail (edit log) facility and the same has operated throughout the year for all relevant transactions recorded in the accounting software and the payroll application, except that the audit trail feature is not enabled at the database level for the accounting software. Further no instance of audit trail feature being tampered with was noted in respect of the accounting software and payroll application. The audit trail of prior year has been preserved by the service provider as per the statutory requirements for record retention.

NOTE 71: THE CODE ON SOCIAL SECURITY 2020

The Code on Social Security 2020 ('the Code') relating to employee benefits, during the employment and post-employment, has received Presidential assent on September 28, 2020. The Code has been published in the Gazette of India. However, the effective date from which the changes are applicable is yet to be notified and the final rules/interpretation have not yet been issued.

The Company will assess the impact of the Code and will give appropriate impact in the financial statements in the period in which, the Code becomes effective and the related rules to determine the financial impact are published.

NOTE 72: EVENT AFTER REPORTING DATE

There have been no events after the reporting date that require disclosure in these financial statements.

As per my report of even date

For Shridhar & Associates
Chartered Accountants
ICAI Firm Registration No.: 134427W

Abhishek Pachlangia
Partner
Membership No. 120593

Mumbai, dated: May 09, 2025

For and on behalf of the Board of Directors of
Smartlink Holdings Limited
CIN: L67100GA1993PLC001341

K. R. Naik
Executive Chairman
DIN: 00002013

C.M. Gaonkar
Director
DIN: 00002016

K. G. Prabhu
Chief Financial Officer

Edlan Fernandes
Company Secretary
ICSI Membership No.53614

Mumbai, dated: May 09, 2025

1st INDIAN BRAND IN IT NETWORKING

smartlink HOLDINGS

Smartlink Holdings Limited

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